CASE ACTIVITY REPORT
DJ-DCI-25

WISCONSIN DEPARTMENT OF JUSTICE
Division of Criminal Investigation — Operations
123 W. Washington Ave.
Madison, Wisconsin 53703

Date: June 30, 1971

Case No.: OC-1

INVESTIGATORS: Special Agent Alfred F. Suhr

SUBJECT OF INVESTIGATION: FRANK P. BALISTRIERI

On June 29, 1971, Special Agent SUHR conducted a surveillance of 1634 North Jackson Street between the hours of 3:30 p.m. and 6:00 p.m. for the purpose of viewing activities at that location.

The only activity noted was that JENNIE ALIOTO left the house at 3:35 p.m. and walked to D'AMATO'S GROCERY STORE, 1547 North Jackson Street. She remained there for about five minutes and exited at 3:40 p.m. with a bag of groceries and walked directly back to herhouse at 1634 North Jackson Street. No other activity was noted.

RECEIVED

JUL 7 1971

DCI	CIIC
O.C.-1-	1

OC-1-1

CASE ACTIVITY REPORT
DJ-DCI-25

WISCONSIN DEPARTMENT OF JUSTICE
Division of Criminal Investigation — Operations
123 W. Washington Ave.
Madison, Wisconsin 53703

Date: July 1, 1971

Case No.: OC-1

INVESTIGATORS: S/A Donald A. Schmidt

SUBJECT OF INVESTIGATION: FRANK P. BALISTRIERI

On Thursday, July 1, 1971, between 3:30 p.m. and 6:00 p.m., I conducted a surveillance on the residence at 1634 North Jackson Street to determine the activities at this address.

At 4:00 p.m., I checked the front and rear of this house. At this time PETER BALISTRIERI'S Cadillac was not there. At 6:00 p.m., when I terminated the surveillance, PETER BALISTRIERI'S car was at the rear of the house along with LEONARD DREWEK'S car.

During the time of my surveillance, there was no activity at the home.

RECEIVED
JUL 9 1971
DCI CRC

OC-1-9

CASE ACTIVITY REPORT
DJ-DCI-25

WISCONSIN DEPARTMENT OF JUSTICE
Division of Criminal Investigation — Operations
123 W. Washington Ave.
Madison, Wisconsin 53703

Date: July 6, 1971

Case No.: OC-1

INVESTIGATORS: Special Agent ALFRED F. SUHR

SUBJECT OF INVESTIGATION: FRANK P. BALISTRIERI

Between the hours 3:30 p.m. and 6:00 p.m. on July 2, 1971, S/A SUHR conducted a moving and stationary surveillance of 1634 North Jackson Street to view any activities that take place at that residence.

At 3:35 p.m., PETER BALISTRIERI'S car was not parked at the rear of the residence. At 4:30 p.m., JENNIE ALIOTO exited from D'AMATO'S GROCERY STORE, 1547 North Jackson Street, and walked up the street and entered the center door of 1634 North Jackson. S/A SUHR did not observe her going into D'AMATO'S.

At 4:55 p.m., PETER BALISTRIERI'S car was still not in evidence behind the residence.

At 5:25 p.m., JOSEPH MANIACI was observed driving south on North Jackson Street, but he did not stop at 1634.

At 6:00 p.m., PETER BALISTRIERI'S car was still not behind the residence. The surveillance was terminated.

RECEIVED
JUL 9 1971
DCI - CIC

OC-1-3

CASE ACTIVITY REPORT
DJ-DCI-25

WISCONSIN DEPARTMENT OF JUSTICE
Division of Criminal Investigation — Operations
123 W. Washington Ave.
Madison, Wisconsin 53703

Date: July 12, 1971

Case No.: OC-1

INVESTIGATORS: Special Agent Donald A. Schmidt.

SUBJECT OF INVESTIGATION: FRANK BALISTRIERI

On Thursday, July 8, 1971, Special Agent DONALD SCHMIDT conducted a surveillance of the PETER BALISTRIERI residence at 1634 North Jackson Street. The home was surveilled between the hours of 3:45 p.m. and 6:00 p.m. During this surveillance, no activity was observed at the residence. The Cadillac of PETER BALISTRIERI was parked at the rear of the home at the start and also at the termination of the surveillance. At 6:00 p.m. LEONARD DREWEK'S auto was also parked at the rear of the house.

DAS:ms

CASE ACTIVITY REPORT
DJ-DCI-25

WISCONSIN DEPARTMENT OF JUSTICE
Division of Criminal Investigation — Operations
123 W. Washington Ave.
Madison, Wisconsin 53703

Date: July 13, 1971

Case No.: OC-1

INVESTIGATORS: Special Agents Walter A. Younk and Alfred F. Suhr

SUBJECT OF INVESTIGATION: BALISTRIERI, FRANK P.

A review of 1971-72 Class B license renewals for the BALISTRIERI taverns revealed applications for the following four taverns were notarized by a B[redacted] [redacted]. B[redacted]:

BEN-KAY, INC., d/b/a DOWNTOWNER, with signatures of RUDOLPH PORCHETTA, President, and JENNIE ALIOTO, Secretary.

RUDOLPH PORCHETTA, d/b/a the BRASS RAIL

PETER BALISTRIERI, d/b/a THE SCENE

JOSEPH ENEA, d/b/a the AD LIB.

On July 13, 1971, MRS. B[redacted] [redacted]. B[redacted], born [redacted], of [redacted], Brown Deer, was interviewed at the HERITAGE BANK OF MILWAUKEE, [redacted], Milwaukee, where she is employed as a secretary. MRS. B[redacted] was shown the four notarized tavern license applications and questioned concerning the circumstances of their notarization. She responded substantially as follows:

She verified that the notary signatures were her own. She recalled that JENNIE ALIOTO, whom she recognized as a bank customer, came in with a person identified from a photo as RUDOLPH PORCHETTA. Both ALIOTO and PORCHETTA signed an application in her presence and she notarized the document. They were not placed under oath. Later in the day, PORCHETTA came in alone with another document; it is believed he signed this in B[redacted]'S presence but he was not sworn. (This would account for the BEN-KAY and BRASS RAIL licenses.)

JENNIE ALIOTO also returned at least once, alone, that same day, but B[redacted] cannot recall the circumstances or chronology of events. She concedes it is possible that JENNIE might have brought in another license to be notarized, but could not swear that this did or did not happen.

She was shown a picture of JOSEPH ENEA and recalled him vaguely, stating that he may have sat at her desk on some business.

When shown a picture of PETER BALISTRIERI, B[redacted] stated positively that she had never seen him before.

RECEIVED
JUL 21 1971

DCI		CIIC	

OC-1-5

E[redacted] has been a notary public for less than a year; her commission was obtained at the request of her employer and the majority of her notary functions concern internal bank business. She was not aware of the requirements to administer an oath under certain circumstances or as specified on certain documents.

CASE ACTIVITY REPORT
DJ-DCI-25

WISCONSIN DEPARTMENT OF JUSTICE
Division of Criminal Investigation — Operations
123 W. Washington Ave.
Madison, Wisconsin 53703

Date: July 16, 1971

Case No.: OC-1

INVESTIGATORS: Special Agents Richard H. Anderson and D. Michael Guerin

SUBJECT OF INVESTIGATION: FRANK P. BALISTRIERI, re: Surveillance

On Friday, July 16, 1971, Special Agents RICHARD H. ANDERSON and D. MICHAEL GUERIN conducted a surveillance of the AD LIB, 323 West Wells Street and the DOWNTOWNER LOUNGE, 340 West Wells Street. Following is the results of that surveillance:

2:15 a.m. --- JOSEPH F. ENEA leaves the AD LIB, 323 West Wells Street, carrying a brown cloth bag. ENEA enters the DOWNTOWNER, 340 West Wells Street; ENEA leaves the DOWNTOWNER about two minutes later without the brown bag. ENEA then left the area.

3:05 a.m. --- RUDOLPH PORCHETTA arrives at the DOWNTOWNER and enters.

3:15 a.m. --- JOSEPH MANIACI and RUDOLPH PORCHETTA leave the DOWNTOWNER. PORCHETTA enters his auto, a blue Plymouth, S52-461, and leaves the area. MANIACI enters his auto, a green Cadillac, W57-740; he drives north on North 4th Street and then east on West Kilbourn Street.

3:25 a.m. --- JOE MANIACI arrives at 1634 North Jackson Street. He parks his auto, motor running, and lights on in the middle of North Jackson Street. MANIACI got out of his auto carrying a brown cloth bag (that appeared to be the same cloth bag that ENEA had in his possession earlier). MANIACI waved as he approached 1634 North Jackson. MANIACI went to the door; he returned a few seconds later without the bag; he entered his auto and drove away. (NOTE: ANDERSON and GUERIN made this observation from a parking lot almost directly across from 1634 North Jackson Street. Agents were unable to determine if the front door at 1634 North Jackson Street was opened to receive the bag or whether the bag was dropped in the mail slot. The upper front lights of 1634 North Jackson Street were not lit at this time.)

RECEIVED
JUL 21 1971

RHA:ms

DCI			CHC

OC-1-6

Balistrieri Will Appear in Bar Ownership Probe

By Alex P. Dobish
of The Journal Staff

Frank P. Balistrieri, who went to prison 19 days ago, will be brought back here to be premier witness in a federal grand jury inquiry starting Monday.

The jury reportedly will investigate concealed multiple tavern ownership here. It has been investigating gambling in Kenosha and its links with organized crime.

Frank P. Balistrieri

Tax Evasion

Loren Daggett, warden of Sandstone Federal Prison, Sandstone, Minn., confirmed Thursday that Balistrieri had been subpenaed to testify by a US Justice Department Organized Crime Strike Force, headed by Michael H. King of Chicago.

Balistrieri is serving a year and a day for income tax evasion. He is scheduled to testify before the grand jury Tuesday.

However, there may be a delay. Daggett said: "Balistrieri has been trying to get health problems since he came here."

The warden said a doctor would examine the 53 year old former Milwaukee nightclub operator to evaluate what he called Balistrieri's "claims of illness." Balistrieri complained of hypertension when he was sentenced.

The grand jury is expected to hear evidence presented by special agents of the Internal Revenue Tobacco and Alcohol Tax Division concerning form No. 11.

Ownership Form

That form is the "business ownership" form that must be filed to enable the government to determine whether it is assessing taxes against the right person. Owners and operators of certain business, among them taverns, are required to file.

Committing perjury in filing is punishable by up to three years in prison and a $5,000 fine.

Last year an assistant US attorney, in an affidavit entered into court records, said Balistrieri operated six Milwaukee night spots "in most of which his interest is concealed by having the licenses held in the

Turn to Probe, page 8, col. 3

Comments:

Date: [illegible]
Publication: [illegible]

	O.C.	NARC.	GEN.	SPEC.
Coordination:				
Submitting Unit:				
CIIC File #:				

RECEIVED
JUL 21 1971

DCI		CIIC
		OC-1-7

Probe

Frank Balistrieri to Appear at US Gambling

From page 1

name of relatives and associates."

The affidavit said Balistrieri used his son, Joseph, an attorney who has been appointed a court commissioner by Circuit Judge Hugh R. O'Connell, as a cover to conceal the elder Balistrieri's financial transactions.

Also Subpenaed

Joseph Balistrieri, who has denied the allegations in the affidavit, is among witnesses subpenaed by the grand jury.

Although some persons who appeared as witnesses have been charged and convicted of crimes, being called as a witness does not mean a person is suspected of wrong doing. Witnesses are called to give information.

Calhoun to Appear

Subpenas also have been issued for Joseph Balistrieri, the son of Peter F. Balistrieri, brother of Frank P.; Angelo DiGiorgio, who was recently acquitted of a commercial gambling charge after the disappearance of a key witness; Miss Jennie Alioto, bookkeeper for enterprises linked to Frank P. Balistieri; Miss Susan Bartfield, a hostess and entertainment booker for several of the same night spots, and Peter Gaudesi, the current licensee of the Kings IV club, 720 N. Water St.

Ald. Allen R. Calhoun said he had been subpenaed to appear Wednesday as chairman of the Common Council's Licenses-Rules Committee. The committee issues tavern licenses.

Calhoun said Treasury Department men interviewed him Monday about license matters and taverns said to be run by Balistrieri and his associates. He said they also asked him about how the committee operates.

A labor leader, whose identity could not be confirmed, also was expected to be subpenaed.

Linked to Club

Kings IV is a factor that most of the witnesses have in common. Joseph Balistrieri, Frank's son, owns the building. DiGeorgio is the former licensee of the tavern. Miss Alioto is its bookkeeper.

Miss Bartfield, a hostess at the club, is a key member of the Balistrieri organization. Joseph, Peter Balistrieri's son, who recently was found guilty of sales tax fraud in connection with another night spot, worked at Kings IV.

Government attorneys speculated on what Frank Balistrieri would do when asked to testify.

If he refuses under the 5th Amendment to avoid self-incrimination, he could be granted immunity from prosecution. If he then refuses to testify, he could be cited for contempt.

Under such circumstances a

Probe Here

judge could sentence Balistrieri to a longer term than he must serve for tax evasion, or it could prevent his consideration for parole.

Balistrieri will be eligible for parole in four months. If parole is refused and he is a model prisoner, he will be discharged after serving 294 days of his 366 day term. A refusal to testify could affect both.

July 17, 1971

OC-1

Special Agents Guerin, Anderson, Suhr, and Schmidt

FRANK P. BALISTRIERI, re: Federal Subpoena - PETER GAUDESI

At about 8:30 p.m., July 16, 1971, agents from the Wisconsin Department of Justice observed PETER GAUDESI, licensee of the KINGS IV TAVERN, 720 North Water Street, Milwaukee, at North Holton and East Brown Streets. The agents contacted RICHARD TEWES, Federal Alcohol Tobacco Firearms Agent, who was attempting to locate GAUDESI for the prupose of serving him with a Federal Grand Jury Subpoena.

At about 9:30 p.m., TEWES met with agents from the Department of Justice who had maintained surveillance on GAUDESI. At about 10:00 p.m. TEWES served the subpoena on GAUDESI as he approached his auto. GAUDESI said that he is presently residing at 7503 West Stevenson Street, Milwaukee. He also said that "I own the KINGS IV TAVERN."

After being served with the subpoena, GAUDESI drove to the KINGS IV TAVERN.

DMG:ms

RECEIVED

JUL 21 1971

DCI CIIC

WISCONSIN DEPARTMENT OF JUSTICE
CRIMINAL DIVISION

WISCONSIN
Press Association
110 East Main Street
MADISON, WIS. 53703
Clipping Bureau Division

Milwaukee Sentinel
JUN 29 1971

Balistrieri Faces Prison 'Orientation'

For the next two weeks, Frank P. Balistrieri will undergo a "get acquainted period" with the facilities and staff of the federal prison at Sandstone, Minn., Warden Loren Daggett said Monday.

Balistrieri, 53, of 3043 N. Shepard Ave., surrendered himself to authorities at the minimum security prison Monday. He is serving a sentence of one year and one day for income tax evasion.

"He's treated just like any other inmate. He goes into the (prison) population," Daggett said of Balistrieri.

Balistrieri was fitted in institutional clothing Monday. During the next two weeks, which Daggett termed a "get acquainted period" Balistrieri will be interviewed by staff members, given a physical examination, and be assigned to a job in the prison.

Daggett said that Balistrieri probably would not need to be given occupational training—which the prison provides to inmates with no job skills.

Sandstone, the warden said, is somewhat like a military barracks, with prisoners assigned to dormitories. Each dormitory has a recreation room. There is a library at the prison.

Located about 80 miles north of St. Paul, the prison no longer has a farm but prisoners are assigned to landscaping work.

Asked whether the prison was air conditioned, Daggett replied, "We've got government air conditioning—open windows."

The Federal Court had directed Balistrieri to surrender himself to US Marshall Raymond Howard at 10 a.m. Monday at the Federal Building here.

However, shortly before 10 a.m., Howard received a telephone call from Sandstone saying that Balistrieri had presented himself there.

Balistrieri, who has been named by Sen. John McClellan (D-Ark.) as head of the Mafia in southeastern Wisconsin, was convicted of the income tax evasion charge in 1967. He had remained free on bond during numerous appeals which went all the way to the US Supreme Court.

His original sentence of two years was reduced after Balistrieri said he was in ill health. He will be eligible for parole at the end of four months.

RECEIVED
JUL 16 1971

DCI			CIIC

Comments:

Date:
Publication:

	O.C.	NARC.	GEN.	SPEC.
Coordination:	X			

Submitting Unit:
CIIC File #: O.C. + I- | | 9A

WISCONSIN DEPARTMENT OF JUSTICE
CRIMINAL DIVISION

Balistrieri to Return To Testify Before Jury

By ALIDA JOHNS

Frank P. Balistrieri, Milwaukee nightclub operator who is serving a year and a day term in federal prison at Sandstone, Minn., for income tax evasion, will be returned here Monday to testify before the federal grand jury.

Balistrieri's return to Milwaukee will be a contrast to his arrival at Sandstone on June 28. Authorities said he will be returned to Milwaukee in a federal marshal's car and in manacles.

Balistrieri, 53, had arrived at Sandstone in an air conditioned car although he had been ordered to report to the US marshal's office here for the more conventional prisoner's conveyance.

Federal regulations call for a prisoner to wear handcuffs attached to a waist chain, and leg irons must be applied while in a car.

The grand jury is expected to meet all next week, apparently to investigate tax matters concerning taverns operated by Balistrieri, his relatives and associates.

Ald. Allen R. Calhoun Jr. said Thursday he had been subpenaed to testify before the grand jury after Treasury agents talked to him Monday in his capacity as chairman of the Common Council License Committee.

Calhoun said the Internal

Turn to Page 16, Col. 1

Comments:

Date: July 16, 1971
Publication: Milwaukee Journal

O.C.	NARC.	GEN.	SPEC.

Coordination:
Submitting Unit:
CIIC File #:

RECEIVED
JUL 21 1971
DCI OC-1-CIIC

BALISTRIERI

Probe Led to Charges

Continued From Page 1

Revenue Service (IRS) agents asked him about Balistrieri's ownership of taverns and about other taverns owned by persons said to be associates of Balistrieri.

Sandstone Warden Loren Daggett said Thursday that Balistrieri had not been given a work assignment at the prison because he was coming to Milwaukee for the grand jury hearings.

The grand jury probe would be the latest in a series of investigations over the last several years into tax matters or taverns operated by Balistrieri or his associates.

For example, Mando Enterprises Inc., former operator of the Ad Lib, 323 W. Wells St., last month was charged by state officials with making false and fraudulent sales tax returns in April, May and June, 1968.

IRS said Thursday that Mando Enterprises had filed income tax returns at the proper time in the last three years. By law, IRS cannot say whether the returns are being investigated.

Special Tax Return

However, IRS has a special tax return known as Form 11, which all tavern owners must complete, and there was speculation that a number of grand jury questions would be centered on that document.

The form asks for a payment of $4.50 a month or $54 annually. Names of the owners or partners of the establishments must be filled in on the form, which says:

"Under penalties of perjury, I declare that the statements in this return are true and correct to the best of my knowledge, and belief, and the special tax stamp herein applied for is to cover only the business indicated above and at the location specified."

IRS previously has gone after taverns linked to Balistrieri to collect unpaid employe withholding, federal unemployment and corporate taxes.

IRS agents in June of 1970 closed four downtown nightclubs for delinquent taxes. The delinquent taxes for the four totaled $6,354.

Clubs Involved

The clubs were the Ad Lib, The Scene, 624 N. 2nd St., Brass Rail, 744 N. 3rd St., and Kings IV, 720 N. Water St.

All were opened within an hour or more after Miss Jennie Alioto, Balistrieri's bookkeeper, arrived to pay agents the assessments.

The Downtowner, 340 W. Wells St., was seized by revenue officers on March 5 and April 30, 1970, for nonpayment of corporate income taxes. In both cases, the seized property was released within one hour when accounts were paid.

Investigations by agents for the state attorney general's office and the state department of revenue have also led to a number of charges being filed against Balistrieri linged taverns.

Found Guilty of Fraud

On June 5, Bals, Inc., the corporation which operates The Scene, and three of its officers and employes were found guilty of state sales tax fraud.

The three officials are Peter F. Balistrieri, corporation president; his son, Joseph, secretary-treasurer of the corporation, and Miss Alioto, the firm's bookkeeper. Peter Balistrirei is the brother of Frank Balistrieri.

The state charged that The Scene had taxable receipts of more than $500,000 but that only $191,853 was reported The state estimated that the firm owed $12,500 in sale taxes.

Balistrieri Calhoun

'WEST SIDE STORY' SET

Waukesha, Wis. – The Penny Players will open their summer season at the Waukesha Playhouse, 506 N. Washington Ave., with Leonard Bernstein's "West Side Story" at 8:15 p.m. Wednesday. The hit Broadway musical will be performed nightly through Aug. 1.

WISCONSIN DEPARTMENT OF JUSTICE
CRIMINAL DIVISION

Balistrieri Must Appear Before Jury, Judge Rules

Journal 17

By John G. Shaver
of The Journal Staff

The son of Frank P. Balistrieri, claiming that his father's health was at stake, tried unsuccessfully late Friday to obtain a Federal Court order blocking Balistrieri's appearance before a federal grand jury here.

Balistrieri, 53, now serving a year and a day in Sandstone (Minn.) federal prison for income tax evasion, has been subpenaed to appear Tuesday before the jury.

The grand jury is expected to hear evidence concerning multiple ownership of taverns here and possible tax consequences for Balistrieri and his associates.

"Not Going Anywhere"

Balistrieri's son, Joseph, an attorney, filed a last minute motion with Federal Judge John W. Reynolds, contending that to bring his father here from Sandstone could seriously damage his health

In a hearing in Reynolds' chambers, the son charged that federal officials were bringing his father here to "hold Mr. Balistrieri up to public scorn."

He contended that there was no reason why federal agents could not question his father at Sandstone Prison. "He's not going anywhere," the son said.

The younger Balistrieri, who also has been subpenaed to appear before next week's grand jury, presented a physician's affidavit that said Balistrieri was suffering from "arteriosclerotic cardiovascular disease with anginal syndrome." It said Balistrieri had suffered "at least one instance of acute coronary insufficiency."

The affidavit of Dr. Robert P. Saichek, identified as a Milwaukee specialist in internal medicine and cardiology, said the trip here would be "definitely harmful medically" to Balistrieri.

The trip, Saichek's affidavit said, could be a "precipitating factor in the onset of acute coronary problems." The affidavit said Saichek had been seeing Balistrieri since Nov. 22, 1969.

The son, who asked Reynolds to conduct a hearing into whether it would be hazardous to his father's health to bring him here, questioned whether it was "worth the risk of a man's life to comply with a subpena."

No Hazard Seen

Michael H. King, a Chicago attorney with the Justice Department's organized crime strike force, said prison officials told him that Balistrieri's health would not be damaged.

"They have assured me today that there is no medical reason in their judgment for

Turn to Balistrieri, page 2, col. 3

Balistrieri

Prisoner Ordered to Face Jury

From page 1

not bringing him in," King told the judge.

King, who is heading the grand jury investigation, said prison officials were "in a better position" to judge Balistrieri's health. He pointed out that Saichek's affidavit gave no indication of when he last examined Balistrieri.

The younger Balistrieri challenged the subpena issued for his father's appearance, contending that it was to "further humiliate, embarrass and otherwise harass" his father.

He said his father would be held up to scorn and ridicule because it "would necessitate a public appearance in restraints."

King said Balistrieri was not being brought to Milwaukee "for purpose of harassment or embarrassment but for a substantial purpose before the grand jury."

Reynolds denied the son's request, saying he lacked the authority to bar Balistrieri's appearance.

The judge said the care of a prisoner was a matter solely of the warden, and it was up to the warden whether Balistrieri was able to travel.

The grand jury, which is expected to meet all next week, reportedly will hear evidence from agents of the Internal Revenue Tobacco and Alcohol Tax Division concerning business ownership forms required to be filed with the government. The forms are used in determining whether taxes are assessed against the right persons.

Subpenas have been issued for about 30 persons, including two relatives of Balistrieri and several associates, to appear next week before the grand jury.

Comments:

Date: July 19, 1971
Publication: Milw. Sen.
Coordination:
Submitting Unit:
CIIC File #:

RECEIVED
O.C. | WARD | GEN | SPEC.
JUL 21 1971

DCI | CIIC
OC | 1 | 10

WISCONSIN DEPARTMENT OF JUSTICE
CRIMINAL DIVISION

Balistrieri Returns to Testify

By Alex P. Dobish
of The Journal Staff

Frank P. Balistrieri, 53, left Sandstone Federal Prison in Minnesota Monday morning in handcuffs and a waist chain to keep a date with a federal grand jury here Tuesday afternoon.

He had arrived at the prison on his own June 28 after being chauffeured there in a rented automobile instead of being taken there by US marshals.

Marshals James Hopson and Dennis Behnke were returning Balistrieri Monday in Hopson's car. Robert Flaig, deputy US marshal here, told about the chain around Balistrieri's waist.

While waiting to testify, Balistrieri will be quartered in the Ozaukee County Jail in Port Washington.

Jury Hears Witnesses

The federal jury began hearing preliminary witnesses Monday morning into the possibility of perjury in connection with the filing of certain federal documents used in the operation of nightclubs and taverns here.

Representatives of the US Justice Department maintained that Balistrieri concealed his interest in the operation of half a dozen taverns here with the help of friends and relatives.

Michael H. King, head of the Justice Department's Organized Crime Strike Force, which is presenting evidence to the grand jury, said agents of the Wisconsin Department of Justice and the Federal Alcohol and Tobacco Tax Divisions and special agents of the Internal Revenue Service cooperated for "a substantial period" to gather evidence for the grand jury.

Tax Evasion Charge

Balistrieri is serving one year and a day on a charge of income tax evasion.

Besides Balistrieri, witnesses scheduled for Tuesday include Peter Gaudesi, the current licensee of the Kings IV Club, 720 N. Water St., and Joseph Balistrieri, the son of Peter Balistrieri, Frank's brother. Joseph is a former employe at the Kings IV.

Wednesday's witnesses include Angelo DiGiorgio, former licensee of the Kings IV, Miss Susan Bartfield, a hostess and entertainment booker for several Balistrieri night spots, and Ald. Allen R. Calhoun, chairman of the Common Council's Licenses-Rules Committee.

No date has been set for the testimony of Atty. Joseph Balistrieri, Frank's son, who has been appointed a court commissioner by Circuit Judge Hugh R. O'Connell.

31 Witnesses

According to an affidavit filed in the Federal Court, Frank Balistrieri used his son as a cover to conceal his own financial transactions.

Thirty-one witnesses, ranging from federal agents to former Kings IV employes and customers, are scheduled to be heard. Monday's witnesses included former customers and several federal agents.

RECEIVED
JUL 26 1971

DCI			CIIC

Comments:

Date: 7-19-71
Publication: Milw. Journal

	O.C.	NARC.	GEN.	SPEC.
Coordination:			C	

Submitting Unit: Milw

CIIC File #:	OC	1		

OC-1-11

WISCONSIN DEPARTMENT OF JUSTICE
CRIMINAL DIVISION

Sentinel Photo by Richard

Balistrieri Arrives to Await Jury Call

By RON MAROSE

Milwaukee nightclub operator Frank P. Balistrieri, looking suntanned but tired, entered the Ozaukee County Jail at Port Washington on crutches Monday to await an appearance before a federal grand jury in Milwaukee.

Balistrieri was brought here from Sandstone Federal Prison in Minnesota where he is serving a year and a day following conviction on a charge of income tax evasion.

A car with two marshals and Balistrieri arrived in front of the Ozaukee County Jail at 4:49 p.m.

Balistrieri, seated in the rear of the sedan, slumped back into his seat when he noticed several newsmen and photographers walk from the jail's front door less than 20 feet away.

Both the marshals left the car. One opened the rear right-hand door for Balistrieri. The other marshal opened the trunk, apparently removing a bag containing some of Balistrieri's personal possessions. He also took out chutches. Balistieri has said he had a broken ankle.

The marshals helped Balistrieri, wearing a suit without a tie, onto his crutches and then began moving toward the jail door.

Balistrieri moved behind one tall marshal, apparently trying to avoid the photographers waiting for him at the jail door.

The nightclub operator said nothing to newsmen.

A set of handcuffs was attached to Balistrieri's waist chain.

Ozaukee County Sheriff Arthur E. Helm said that shortly after his arrival, Balistrieri donned the two piece blue uniform of other jail inmates and would receive an evening meal

Helm said that Balistrieri, 53, would be housed in the jail in exactly the same manner as other prisoners.

When asked if Balistrieri would be permitted visitors, Helm replied that that would be up to the discretion of the marshals who had brought him here from Minnesota.

Atty. Joseph Balistrieri, son of Frank Balistrieri, entered the Ozaukee County Jail at 8:36 p.m. bringing with him a suit of clothing which he left for his father. The attorney also carried a briefcase.

After entering the security area, Atty. Balistrieri was told he would have to leave his

Turn to Page 10, Col. 6

RECEIVED

JUL 26 1971

DCI			CIIC

Comments:

Date: July 20, 1971
Publication: Milwaukee Sentinel

	O.C.	NARC.	GEN.	SPEC.
Coordination:				

Submitting Unit: OC-1-12

CIIC File #:

BALISTRIERI

Visited by Son

Continued From Page 1

briefcase there. He took a folder containing papers from the briefcase and went to the lockup, where he visited with his father until 9:06 p.m.

As he left the jail, a reporter asked Atty. Balistrieri if he had come just to visit his father or was also providing legal counsel for his father.

Atty. Balistrieri replied that it would "not be ethical" to comment on the nature of his visit. He expressed surprise that a reporter was there.

"What's all of this?" Balistrieri asked as he walked to the jail door. "The sound and the fury — it signifies nothing."

The sheriff declined to permit a newsman to talk with Balistrieri.

After Balistrieri went through jail processing, the marshals signed necessary forms and left.

Balistrieri and the other prisoners were given pork chops and baked potatoes for dinner Monday night. The cook was the sheriff's wife. Three novels, from among Balistrieri's personal effects, were taken to him by a deputy after the meal.

One marshal described the trip from Minnesota as "just fine" and added that he had "no idea" how long Balistrieri would be detained in the jail.

[On March 11, 1969, Balistrieri was identified by Sen. John L. McClellan (D-Ark.) as a member of one of the Mafia's 22 "principal families." McClellan listed the alleged crime syndicate leaders in a major speech on the Senate floor.]

Balistrieri is scheduled to testify Tuesday afternoon before the grand jury which is investigating tax matters involving taverns operated by Balistrieri, his relatives and associates. Five witnesses testified Monday.

Miss Susan Bartfield, 31, a Balistrieri associate and hostess at the Kings IV, a nightclub owned by Atty. Balistrieri, was one of Monday's witnesses.

Cudahy Ald. Frank Chovanec, 3876 E. Squire Ave., declined to comment on reports that he was a witness.

William J. Rebholz, president of the Rebholz Insurance Agency, said he had not been a witness Monday but that he did expect to appear before the grand jury. He said he did not know when his appearance would be.

Being called to testify before a grand jury does not mean that witnesses are suspected of any wrongdoing. A grand jury seeks to determine if a crime has been committed.

Secrecy surrounding the investigation has been extensive. Federal officials have declined to answer most questions posed to them about the proceedings.

Escorted by federal marshals, Frank P. Balistrieri got out of a car Monday at Ozaukee County Jail, Port Washington. Handcuffs hung from a waist chain, and he walked with crutches, reportedly because of a broken ankle.

Sentinel Photo by Richard C. Greenawalt Jr.

CASE ACTIVITY REPORT
DJ-DCI-25

WISCONSIN DEPARTMENT OF JUSTICE
Division of Criminal Investigation — Operations
123 W. Washington Ave.
Madison, Wisconsin 53703

Date: July 15, 1971

Case No.: OC-1

INVESTIGATORS: S/A Donald Schmidt - S/A Alfred Suhr

SUBJECT OF INVESTIGATION: FRANK BALISTRIERI

S/A's SCHMIDT and SUHR were assigned to conduct a surveillance of the AD LIB, West Wells Street on the night of July 14, 1971. Between the hours of 8:00 p.m. and 12:00 midnight, numerous checks were made on foot and by auto to determine the location of the persons and autos of the persons involved in the operation of the AD LIB. At 10:30 p.m., the auto of JAMES JENNARO, 1969 Cadillac Convertible, license U4575, was observed parked on the north side of the street in the 300 block of West Wells Street. Autos of other individuals involved in the operation or autos of frequent bartenders of the AD LIB were not observed. The Cadillac of JOSEPH MANIACI was also parked on the north side of West Wells Street though. At 11:55 p.m., while driving by the AD LIB, JOSEPH ENEA and W[redacted] B[redacted] were observed standing on the sidewalk outside of the AD LIB.

At 12:05 a.m., July 15, 1971, S/A SCHMIDT entered the AD LIB. At this time there were approximately 60 patrons in the place. The bar itself was crowded so SCHMIDT took a seat at a table on the east side of the room. SCHMIDT was served by a waitress named S[redacted] (later identified as S[redacted] B[redacted]). The "RAMSEY LEWIS TRIO" was performing on the stage. When SCHMIDT initially entered, there were two bartenders and three waitresses working. One bartender was male and the other female. The female had long blonde hair and was called "L[redacted]". The waitresses were S[redacted] and two unknown girls, one blonde and the other brunette. JOSEPH ENEA and JAMES JENNARO were also present. JENNARO was at the bar and ENEA was seated at a table by the front door. At 1:05 p.m., the RAMSEY LEWIS show was over. The patrons began to leave the AD LIB as soon as the show ended. As the patrons cleared out, SCHMIDT took a seat at the bar. At 1:20 a.m., JAMES JENNARO began checking the cash registers (3) and removed money from each register. He then walked to the west end of the bar and counted out five stacks of currency and gave it to RAMSEY LEWIS. They recounted the money and JENNARO returned to the stage to get another $1 bill that he apparently was short. He handed the bill to LEWIS and LEWIS left. At 1:30 a.m., the AD LIB was almost empty. The two bartenders remained behind the bar along with JAMES JENNARO who continued to check

RECEIVED
JUL 26 1971
DCI - CIIC
OC-1-13

out the cash registers. He placed all of the currency and checks on the stage area. He had a brown cloth pouch with a zipper and an attache case there also. At 1:30 a.m., JOSEPH ENEA, an unknown Negro male, the blonde waitress, S[redacted] B[redacted], and an unknown couple were seated at the bar with SCHMIDT. At approximately 1:35 a.m., "MISTY", a stripper from the DOWNTOWNER walked in and sat at the bar. A short time later S[redacted] B[redacted] locked the front door and left via the side exit. She stated she was going to the DOWNTOWNER. "MISTY" had a drink and at about 1:45 a.m., JENNARO told her that if she wanted her money, JOE had it. JENNARO had placed some currency in a brown envelope and had given the envelope to ENEA. MISTY walked over by ENEA and they removed the money from the envelope. MISTY asked ENEA if a certain number was one or two and ENEA replied, "one." MISTY then walked back to her original place at the bar. JENNARO placed the brown cloth pouch and currency in the attache case and at approximately 1:50 a.m. took the case and went upstairs via the stage with it. At 1:58 a.m., SCHMIDT was asked by ENEA to drink up and leave unless SCHMIDT wanted to pay the fine. SCHMIDT drank up and left through the alley exit. SCHMIDT immediately met S/A SUHR and they proceeded to a vantage point where they could observe the AD LIB. Shortly after 2:00 a.m., JENNARO and the unknown couple walked across the street to their cars and drove off. JENNARO was not carrying anything. JOSEPH ENEA was observed walking back to the AD LIB at 2:30 a.m. Apparently ENEA had gone to the DOWNTOWNER while we were moving the car to observe the activities. At 2:40 a.m., S[redacted] B[redacted] left the DOWNTOWNER and got into a Milwaukee Veteran Cab. The cab went north on 4th Street. At 2:55 a.m. JOSEPH MANIACI left the DOWNTOWNER and got into his auto. He then went south through the alley next to the AD LIB. S/A GUERIN and S/A ANDERSON followed MANIACI. S/A SUHR and S/A SCHMIDT proceeded to 1634 North Jackson Street. Agents remained there until 3:20 a.m. when it appeared to them that MANIACI or one of the other persons would not appear there. Agents returned to the office at 3:30 a.m.

CASE ACTIVITY REPORT
DJ-DCI-25

WISCONSIN DEPARTMENT OF JUSTICE
Division of Criminal Investigation — Operations
123 W. Washington Ave.
Madison, Wisconsin 53703

Date: July 19, 1971

Case No.: OC-1

INVESTIGATORS: Special Agents Donald A. Schmidt and Alfred F. Suhr

SUBJECT OF INVESTIGATION: FRANK P. BALISTRIERI

On July 15, 1971 and July 16, 1971, several checks were made to determine the activities in and around the KINGS IV, 720 North Water Street. At 12:05 a.m., July 15, 1971, S/A SCHMIDT attempted to enter the premises. At this time the doors were locked and there was no evidence of activities inside. At 10:10 p.m. on July 15, 1971, another attempt was made to enter and observe the premises. The KINGS IV was also closed on this occasion. The lights were on inside of the building but there was no sign of activity. At 10:00 p.m., July 16, 1971, S/A SCHMIDT entered the KINGS IV to observe the operation of the business. Present at this time was PETER GAUDESI, licensee of the KINGS IV. He was at the second floor bar. The first floor was lit but no activity was observed. It appeared that the only activity in the building was on the second floor where a band was playing. Approximately 20-25 persons were present. GAUDESI moved about, talking with different people. JOSEPH BALISTRIERI (Peter's son) was behind the bar with another bartender. SCHMIDT remained at the KINGS IV until 10:30 p.m.

RECEIVED
JUL 26 1971
DCI · CHC

OC-1-14

CASE ACTIVITY REPORT
DJ-DCI-25

WISCONSIN DEPARTMENT OF JUSTICE
Division of Criminal Investigation — Operations
123 W. Washington Ave.
Madison, Wisconsin 53703

Date: July 19, 1971

Case No.: OC-1

INVESTIGATORS: Special Agents Alfred F. Suhr and Donald A. Schmidt (Unit 10)

SUBJECT OF INVESTIGATION: FRANK P. BALISTRIERI

Between the hours of 7:00 p.m., July 16, 1971, and 4:00 a.m., July 17, 1971, Special Agents SUHR and SCHMIDT conducted a surveillance of various BALISTRIERI-linked taverns and personnel and observed the following:

8:28 p.m.	SUE BARTFIELD'S Pontiac Firebird, license H25,913 observed parked around the corner from her residence.
8:31 p.m.	Received call from Unit 6 (GUERIN and ANDERSON) that PETER GAUDESI was observed entering the GUARDALABENE & AMATO FUNERAL HOME.
8:33 p.m.	Agent SCHMIDT telephonically contacted Agent RICHARD TEWES of the Alcohol, Tobacco and Firearms Unit to advise him that we had GAUDESI under surveillance. TEWES had a subpoena to serve on GAUDESI.
9:50 p.m.	Agent TEWES served the subpoena on GAUDESI in the parking lot of the funeral home. GAUDESI left the funeral home and was followed by Units 6 and 10 to the parking lot to the rear of the KINGS IV.
11:45 p.m.	GAUDESI'S car still parked to the rear of the KINGS IV.
12:00 midnight:	Unit 10 made a pass by 1634 North Jackson Street and observed the lights on on the upper floor (JENNIE ALIOTO'S residence) and the lights on in the rear of the lower floor (PETER BALISTRIERI'S residence).
12:15 a.m.	JAMES JENNARO'S Cadillac and HENRY NECHY'S white/red El Dorado convertible, LD7622, observed parked in the 400 block of West Wells Street.
1:25 a.m.	GAUDESI'S car still parked to the rear of the KINGS IV.
1:35 a.m.	Another pass by 1634 North Jackson Street revealed the lights still on as before.

AFS:ms

RECEIVED

JUL 26 1971

DCI			CIIC

OC-1-15

CASE ACTIVITY REPORT
DJ-DCI-25

WISCONSIN DEPARTMENT OF JUSTICE
Division of Criminal Investigation — Operations
123 W. Washington Ave.
Madison, Wisconsin 53703

Date: July 19, 1971

Case No.: OC-1

INVESTIGATORS: Special Agents DONALD A. SCHMIDT and ALFRED F. SUHR

SUBJECT OF INVESTIGATION: FRANK P. BALISTRIERI

On July 16, 1971, and the early morning of July 17, 1971, a surveillance of the activities in and around the area of the AD LIB and the DOWNTOWNER was conducted by Special Agents SCHMIDT and SUHR. The area was surveilled between 10:00 p.m. and 4:00 a.m. At 10:30 p.m. the autos of RUDY PORCHETTA and JOSEPH MANIACI were observed parked in the 400 block of West Wells Street. At 11:00 p.m. the autos of JAMES JENNARO and JOSEPH ENEA were parked in the 300 block of West Wells Street. At approximately 12:00 midnight the auto of HENRY NECHY was seen parked in the 300 block of West Wells Street.

At 12:50 a.m., Special Agent SCHMIDT entered the AD LIB. Present in the AD LIB at this time were JOSEPH ENEA, JAMES JENNARO, W[redacted] B[redacted], HENRY NECHY, S[redacted] B[redacted] and two waitresses, one blonde and the other brunette, and two bartenders, one male and one female named L[redacted]. Approximately 40 other customers were also present. A white male, 5'3", 125, bald, 50-55, was taking money at the door. A blonde female, G[redacted] L[redacted], who worked as a waitress the prior two nights, was seated at a table with an obviously intoxicated man named "B[redacted]". S[redacted] B[redacted] and G[redacted] L[redacted] were encouraging him to buy bottles of champagne. Three were brought to the table while SCHMIDT was present. G[redacted] L[redacted] is apparently the girlfriend of HENRY NECHY.

At 1:10 a.m. W[redacted] B[redacted] left. The "RAMSEY LEWIS TRIO" was performing on the stage. They stopped entertainment at 1:40 a.m. The customers began to leave after the entertainment was over. At 1:50 a.m., JENNARO began to check out one of the cash registers. At 1:53 a.m., ENEA requested all patrons to leave the premises. Special Agent SCHMIDT left at this time. Remaining were the employees, JENNARO, ENEA, and RAMSEY LEWIS. At 1:50 a.m., HENRY NECHY left the AD LIB with G[redacted] L[redacted].

At 1:55 a.m., SCHMIDT met Special Agent SUHR and a surveillance of the area was conduct by auto. At 3:15 a.m., JOSEPH MANIACI left the DOWNTOWNER and went to his car. He went east on Wells Street and then south through the alley next to the AD LIB. SUHR proceeded east on Wells Street to 3rd Street. RUDY PORCHETTA was standing by MANIACI'S car in front of the BRASS RAIL. MANIACI

RECEIVED
JUL 26 1971

DCI		CIIC
		OC-1-16

then proceeded north on 3rd Street to Kilbourn. He then proceeded east on Kilbourn and then north on Water Street. Special Agents ANDERSON and GUERIN were advised of this activity via radio. SUHR and SCHMIDT proceeded to the vicinity of 1634 North Jackson Street to backup ANDERSON and GUERIN. All agents returned and surveillance was terminated at 4:00 a.m.

DAS:ms

CASE ACTIVITY REPORT
DJ-DCI-25

WISCONSIN DEPARTMENT OF JUSTICE
Division of Criminal Investigation — Operations
123 W. Washington Ave.
Madison, Wisconsin 53703

Date: July 16, 1971

Case No.: OC-1

INVESTIGATORS: Special Agents Donald A. Schmidt and Alfred F. Suhr

SUBJECT OF INVESTIGATION: FRANK P. BALISTRIERI

On July 15, 1971, Special Agents SCHMIDT and SUHR conducted a surveillance of the activities in and around the AD LIB. This surveillance was conducted between 9:00 p.m., July 15, 1971, and 3:30 a.m., July 16, 1971. At 9:10 p.m., the autos of RUDY PORCHETTA, a 1965 blue Plymouth, S52-461, and JOSEPH MANIACI, a 1963 black Cadillac, W57-740, were parked in the 400 block on West Wells Street. At 12:30 a.m., we observed the red/white Cadillac, LD7622, that is listed to KING LEASING COMPANY, but driven by HENRY NECHI, 1100 West Wells Street. The Cadillac was parked in the parking lot across from the AD LIB (north). At approximately 12:15 a.m., SCHMIDT and SUHR observed that the JENNARO Cadillac was gone from its former position on Wells Street. SCHMIDT and SUHR checked the area and located JENNARO'S auto parked in front of SALLY'S RESTAURANT on East Juneau Street at 12:40 a.m.

Special Agent SCHMIDT and GARY METZGER, Auditor for DCI, entered the AD LIB at 12:45 a.m. SCHMIDT and METZGER were met at the door by S[redacted] B[redacted] who asked JOSEPH ENEA, who was seated at a table near the door, if admission whould be charged. ENEA replied negatively. SCHMIDT and METZGER sat at a table behind ENEA and an unknown male and female. There was a male and female bartender behind the bar. The same two were behind the bar the previous night. S[redacted] B[redacted] and two other girls, one blonde and one brunette, were serving the tables. There were approximately 60 to 65 customers in the AD LIB. At 12:55 a.m., JAMES JENNARO entered the AD LIB. He talked with several people and then sat at a table with several unknown people. After the "RAMSEY LEWIS TRIO" stopped playing at 1:05 a.m., the bar started to clear out. At 1:25 a.m., SCHMIDT and METZGER took seats at the bar. At approximately 1:45 a.m., the male bartender, JENNARO and ENEA each took a cash register and started to count the money. The bartender worked on the easternmost cash register and counted the bills on the bar. JENNARO worked the center register. He took an attache case out of a cabinet below the register and placed it on the stage next to the register. ENEA worked the westernmost register. ENEA had a brown cloth bag with a zipper on top with him. He placed some money in the bag. SCHMIDT was uncertain of the amount or type of money that was placed in the brown cloth bag but it appeared that some or all of it was coin.

RECEIVED
JUL 27 1971
DCI - CIIC
OC-1-17

-3SEP61 4387

T 00.002.50

-3SEP61 4409

T 00.002.50

At 1:55 a.m., JENNARO requested that SCHMIDT and METZGER drink up and leave. At this time there were several unknown people in the bar. SCHMIDT and METZGER left the bar at 1:57 a.m.

While METZGER and SCHMIDT were in the AD LIB, several drinks were purchased. The money was taken for these drinks and a cash register receipt was returned with any change. The two attached cash register receipts were received by METZGER and SCHMIDT. Although the date was actually July 17, 1971, the cash register receipts show the date as 3SEP61.

After leaving the AD LIB, METZGER and SCHMIDT met S/A SUHR and continued the surveillance from the auto. At 3:05 a.m., RUDY PORCHETTA was observed entering the DOWNTOWNER through the front door. At 3:15 a.m., PORCHETTA and MANIACI left the DOWNTOWNER and walked to their cars in the 400 block of West Wells Street. MANIACI proceeded east on Wells Street. S/A ANDERSON and S/A GUERIN were advised by radio. PORCHETTA went north on 4th Street and then west on Kilbourn Avenue. SCHMIDT, METZGER, and SUHR proceeded to the area of 1634 North Jackson Street to cover ANDERSON and GUERIN. GUERIN called off the surveillance at 3:35 a.m.

CASE ACTIVITY REPORT
DJ-DCI-25

WISCONSIN DEPARTMENT OF JUSTICE
Division of Criminal Investigation — Operations
123 W. Washington Ave.
Madison, Wisconsin 53703

Date: July 15, 1971

Case No.: OC-1

INVESTIGATORS: Special Agents D. Michael Guerin and Richard H. Anderson

SUBJECT OF INVESTIGATION: FRANK P. BALISTRIERI, re: surveillance

On July 15, 1971, Special Agents GUERIN and ANDERSON established surveillance in the area of North 3rd and West Wells Street, Milwaukee, and made the following observations:

At about 3:15 a.m., JOSEPH MANIACI left the DOWNTOWNER, 340 West Wells Street. MANIACI got into his automobile which was parked in front of the DOWNTOWNER, 340 West Wells Street, and drove to the BRASS RAIL, 744 North 3rd Street. MANIACI let himself in with a key.

At about 3:25 a.m., MANIACI and RUDOLPH PORCHETTA left the BRASS RAIL and got into MANIACI'S car. (PORCHETTA apparently had been in the tavern with the lights out.) MANIACI drove PORCHETTA to his automobile which was parked in the 400 block of West Wells Street. PORCHETTA followed MANIACI in his auto north on North 4th Street to West Kilbourn, where MANIACI proceeded east and PORCHETTA west on West Kilbourn Street.

MANIACI then drove to 1634 North Jackson Street. He parked his auto in the middle of the street with the lights on and the motor running and walked up to the door at exactly 3:30 a.m. He immediately returned to the car.

At this point S[redacted] D[redacted] passed ANDERSON, who was parked in the 300 block of East Pleasant Street. D[redacted] proceeded north on Jackson Street where he passed Special Agent GUERIN, who was walking in mid block. D[redacted] then turned his auto around and stopped at 1634 North Jackson Street where he talked to JOSEPH MANIACI for a couple of minutes and then proceeded south on North Jackson Street. MANIACI left the scene going north on North Jackson Street.

NOTE: GUERIN and ANDERSON had also observed persons leaving the AD LIB TAVERN, 323 West Wells Street. At approximately 2:10 a.m., JOSEPH ENEA and JAMES JENNARO were the last persons to leave the premises. JENNARO got into his automobile and left the area. About 5 minutes later JOSEPH ENEA who had walked west from the

RECEIVED
JUL 27 1971

DCI	-	CIIC

OC-1-18

AD LIB returned on foot and re-entered the AD LIB through the rear door, where GUERIN and ANDERSON observed him moving behind the bar. He did not turn on any lights and the only source of illumination was a small cash register light. A few moments later he left the premises through the rear door and entered his automobile which was parked in the 300 block of West Wells Street. When he left the AD LIB he was carrying unknown articles. He then left the area.

CASE ACTIVITY REPORT
DJ-DCI-25

WISCONSIN DEPARTMENT OF JUSTICE
Division of Criminal Investigation — Operations
123 W. Washington Ave.
Madison, Wisconsin 53703

Date: July 19, 1971

Case No.: OC-1

INVESTIGATORS: Special Agents Richard H. Anderson and D. Michael Guerin

SUBJECT OF INVESTIGATION: FRANK P. BALISTRIERI

On July 17, 1971, Special Agents RICHARD H. ANDERSON and D. MICHAEL GUERIN met with Federal Agents RICHARD TEWES and JOHN RUGGERO. Agents TEWES and RUGGERO had a federal subpoena for JENNIE ALIOTO.

At about 3:15 a.m., Agents TEWES and RUGGERO concealed themselves in the bushes next to 1634 North Jackson Street. At about 3:25 a.m., JOSEPH MANIACI arrived at 1634 North Jackson Street. MANIACI parked his auto, a green Cadillac, W57-740, motor running and lights on; MANIACI went up to the door at 1634 North Jackson and then returned after a few seconds, to his auto and left. ANDERSON and GUERIN were informed by TEWES and RUGGERO that MANIACI went up to the door and dropped a brown cloth bag into the mail slot in the door. JENNIE ALIOTO did not open the door to receive the bag.

RHA:ms

RECEIVED
JUL 27 1971
DCI - CIIC

OC-1-19

WISCONSIN DEPARTMENT OF JUSTICE
CRIMINAL DIVISION

Ex-Bartender for Balistrieri Testifies

By Alex P. Dobish
of The Journal Staff

A Cudahy alderman, Frank L. Chovanec, who formerly worked for nightclubs linked with Frank P. Balistrieri, testified before a federal grand jury Monday afternoon.

Chovanec said he was questioned about what he knew about the operation of the Kings IV nightclub — "and that's it." The night spot at 720 N. Water St., is licensed to Peter Gaudesi. The building is owned by Balistrieri's son, Joseph, an attorney.

Frank Balistrieri, 53, was driven here by car Monday afternoon from Sandstone Federal Prison in Minnesota, where he is serving a sentence for income tax evasion.

The grand jury is investigating possible perjury in connection with the filing of certain affidavits connected with tavern operations. The government contends that Frank Balistrieri has owned several taverns through various funds.

Frank L. Chovanec

Had Various Jobs

"I booked talent for Kings IV and they wanted to know about it," Chovanec said.

Between 1963 and 1970 Chovanec held various jobs with taverns linked to Frank Balistrieri, according to his testimony.

He now manages the Country Maid Inn (formerly Victory Hall), 2665 E. Grange Ave., Cudahy. He worked as a bartender and a booker of musical acts at the old Gallagher's on 3rd St., then owned by Frank Balistrieri.

Subsequently Chovanec tended bar at The Scene, later under investigation by Wisconsin Atty. Gen. Robert Warren.

Hearing Evidence

Being called to testify before a grand jury is not an indication that a witness is suspected of wrongdoing. A grand jury tries to determine whether a crime has been committed.

The jury is currently hearing evidence accumulated by United States Justice Department investigators into organized crime.

Joseph Balistrieri, whom the government has charged was used as a front in Frank Balistrieri's business dealings, accompanied two of the witnesses.

They were Al Guerera, a bartender at Kings IV, and another Joseph Balistrieri, Frank's nephew, worked at Kings IV. He recently was found guilty of state sales tax fraud in connection with the operation of another night spot.

Atty. Joseph Balistrieri refused to say whether he was with his cousin and Guerera as a lawyer or a friend. Attorneys are not allowed to accompany clients into the grand jury room.

Another witness Tuesday was Sam Fein, a partner in Fein Bros., 2007 N. 3rd St., restaurant equipment suppliers. Fein was questioned, he said, about a $360 debt owed him by Kings IV.

The jury's investigation is continuing.

RECEIVED

JUL 27 1971

DCI			CIIC

Comments:

Date: 7-20-71
Publication: Milw. Journal

	O.C.	NARC.	GEN.	SPEC.
Coordination:	MR		C	

Submitting Unit: Milw

CIIC File #:	OC	1		

OC-1-20

WISCONSIN DEPARTMENT OF JUSTICE
CRIMINAL DIVISION

Balistrieri Testifies for 35 Minutes

Frank P. Balistrieri testified for 35 minutes Tuesday afternoon in secret proceedings before the federal grand jury.

David J. Cannon, US attorney, said Balistrieri was returned to the Ozaukee County jail at Port Washington, from where he will be taken to the federal prison at Sandstone, Minn. He is serving a sentence there for income tax evasion.

Balistrieri arrived at the jury room on the fourth floor of the Federal Building with two federal marshals; his two sons, Atty. Joseph P., and John, a law student, and Atty. Dominic Frinzi.

Twice during Balistrieri's testimony he consulted with his son, Joseph, in an anteroom just outside the jury room. Attorneys cannot be present during a witness' testimony before the grand jury, but a witness may consult with an attorney outside of the jury's meeting.

Frank Balistrieri was using crutches because of an unhealed broken ankle. He was wearing a brown suit and a green shirt.

The grand jury is investigating tax matters involving Balistrieri, his relatives and associates.

They jury also heard 25 minutes of testimony from Atty. Joseph P. Balistrieri, who was represented by Atty. Philip L. Atinsky.

Also appearing before the jury Tuesday were:

Nicolo Soffini, represented by Atty. Donald Eisenberg; Peter Gaudesi, the current license holder for the Kings IV, 720 N. Water St.; Al Guerera, a bartender at the spot, and another Joseph Balistrieri, Frank's nephew, who worked at the club.

Sam Fein, a partner in Fein Bros., 2007 N. 3rd St., restaurant equipment suppliers, also testified.

He said he told the jury he sold equipment to Kings IV in 1969 and was owed $360.

Being called to testify before a grand jury does not mean that witnesses are suspected of any wrongdoing. A grand jury seeks to determine if a crime has been committed.

The jury probe will continue Wednesday.

RECEIVED

JUL 27 1971

DCI		CIIC	

Comments:

Date: July 21, 1971
Publication: Milwaukee Sentinel

	O.C.	NARC.	GEN.	SPEC.
Coordination:			✓	
Submitting Unit:				
CIIC File #:				

CC-1-21

WISCONSIN DEPARTMENT OF JUSTICE
CRIMINAL DIVISION

Balistrieris Give Testimony in Closed Jury Session

By Alex P. Dobish
of The Journal Staff

Frank P. Balistrieri and his son, Joseph, an attorney, appeared before a federal grand jury here Tuesday afternoon. The father testified for 35 minutes; the son for 25.

US Atty. David J. Cannon declined to discuss the secret testimony, but in reply to questions he said no appearance was planned for the senior Balistrieri before a federal judge.

It had been speculated that Frank Balistrieri might be granted immunity from prosecution to testify or invoke the 5th Amendment against self-incrimination. In either case, the government would have sought a court order.

Back to Prison

At 7 a.m. Wednesday, Balistrieri and US marshals left the Ozaukee County Jail, where Balistrieri was temporarily quartered, for the Sandstone Federal Prison in Minnesota. Balistrieri is serving a one year and one day sentence for income tax evasion.

Frank Balistrieri's two sons, Joseph, the lawyer, and John, a law student, accompanied their father to the grand jury room on the fourth floor of the Federal Building.

Evidence Heard

Attorneys Dominic Frinzi and Philip L. Atinsky were present. Frank Balistrieri conferred several times with his lawyer son in an anteroom. Attorneys are not allowed in the jury room during testimony but are permitted to confer with clients outside it.

Being called to testify before a grand jury is not an indication that a witness is suspected of wrongdoing. A grand jury tries to determine if there is sufficient evidence to indict for a crime.

The current jury is hearing evidence submitted by a Justice Department Organized Crime Strike Force from Chicago. The federal unit is composed of agents from the FBI, the intelligence division of the Internal Revenue Service, investigators from the Alcohol and Tobacco Tax Division and assistant US attorneys.

The jury is investigating allegations that perjury may have been committed in connection with the filing of certain documents needed to operate taverns. Frank Balistreri has been accused in an affidavit on file in the federal court with multiple tavern ownership through various fronts, including his son, Joseph, the attorney. Joseph Balistrieri has denied such allegations.

Another witness Tuesday afternoon was Peter Gaudesi, the licensee of Kings IV, a night spot at 720 N. Water St.

So far most of the witnesses who have appeared since the jury began hearing testimony Monday have been connected with the operations of that tavern.

RECEIVED
JUL 27 1971

DCI		CIIC

Comments:

Date: July 21, 1971
Publication: Milwaukee Journal

	O.C.	NARC.	GEN.	SPEC.
Coordination:			C	

Submitting Unit: OC-1-22

CIIC File #:

ISCONSIN DEPARTMENT OF JUSTICE
CRIMINAL DIVISION

Ald. Calhoun Questioned by Grand Jury

Ald. Allen R. Calhoun Jr. was among seven witnesses who appeared Wednesday before the federal grand jury.

Calhoun, who is chairman of the council's License Committee, said he was asked questions by federal prosecutors concerning Frank Balistrieri's control of taverns operated by other persons.

Calhoun said he replied that he did not have any knowledge about the matter of multiple ownership.

Calhoun also said he answered questions about licensing procedures, as well as other aspects of the License Committee's function. He said he was "on notice" for possible further testimony.

The jury began Monday investigating tax matters concerning taverns operated by Balistrieri, his relatives and associates.

Balistrieri, 53, started serving a term of a year and a day at the federal prison at Sandstone, Minn., on June 28. He was convicted of income tax evasion.

So far the jury has heard 19 witnesses. Eleven additional witnesses are expected to testify by the end of the jury session Friday.

Witnesses Wednesday included William J. Rebholz, an insurance agent at 6300 W. Blue Mound Rd.

Rebholz in June, 1970, wrote industrial compensation insurance for Balistrieri for four night spots so they could stay open.

The state attorney general's office had filed complaints that the four places were operating without insurance.

The places were the Ad Lib, 323 W. Wells St.; Kings IV, 720 N. Water St.; The Scene, 624 N. 2nd St.; and the Brass Rail, 744 N. 3rd St.

Other witnesses Wednesday were:

Rudolph Porchetta, operator of the Brass Rail and the Downtowner Cocktail Lounge,

Turn to Page 8, Col. 3

JURY Balistrieri's Son at Session

Continued from Page 5

340 W. Wells St.; Miss Susan Bartfield, hostess at Kings IV, and Angelo DiGiorgio, former license holder for Kings IV.

Accountant Henry Shellow and a representative of the Milwaukee Cheese Co., who declined to give his name, also were witnesses.

Both Atty. Dominic Frinzi and Frank Balistrieri's son, Atty. Joseph Balistrieri, were on hand at the start of Wednesday's session.

Balistrieri did not stay long. He said his mother was hospitalized. She is reported in "satisfactory" condition at Mount Sinai Medical Center.

Being called to testify before a grand jury does not mean that witnesses are suspected of any wrongdoing. A grand jury seeks to determine if a crime has been committed.

Comments:

RECEIVED
AUG 16 1971

DCI			CIIC

Date: July 22nd 1971
Publication: Milwaukee Sentinel

	O.C.	NARC.	GEN.	SPEC.
Coordination:	[illegible]		C	
Submitting Unit:				
CIIC File #:				

OC-1-23

ISCONSIN DEPARTMENT OF JUSTICE
CRIMINAL DIVISION

Teamsters at Jury Probe?

By Alex P. Dobish
of The Journal Staff

Two men who declined to identify themselves were questioned for an hour and a half Thursday by a federal grand jury looking into Frank P. Balistrieri's reported control of taverns through various fronts.

One man spent an hour and the other 30 minutes before the jury. Government prosecuters declined to give their identities. They entered an automobile registered to Teamsters Local 200.

According to an affidavit on file in a federal court, teamster money has helped finance tavern operations in Milwaukee, some of which the government contends are linked to Balistrieri.

The grand jury Wednesday questioned Ald. Allen R. Calhoun Jr., chairman of the Common Council's License Committee.

"They asked about the total question of the city's procedure on licenses — how they're handled," Calhoun told a reporter. "They went in that aspect some."

Calhoun was the second public official questioned by the jury since Monday, when it began to investigate tax and perjury questions linked with the operations of downtown night spots.

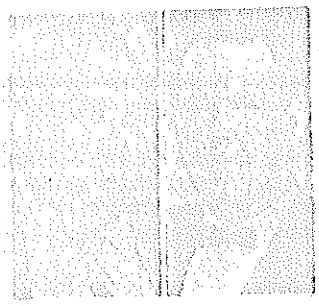
It is hearing evidence presented by a US Justice Department Organized Crime Strike Force operating from Chicago.

Cudahy Official Testifies

Frank L. Chovanec, Cudahy's 2nd Ward alderman, who said he was a talent booker for a night spot linked to Balistrieri, was also questioned. He appeared before the grand jury Monday and was asked about operations of the Kings IV, 720 N. Water Street.

The club is licensed to Peter Gandesi. The building is owned by Balistrieri's son, Joseph, an attorney, who appeared before the jury Tuesday along with his father.

Frank Balistrieri was returned here from the Federal Correctional Institution at Sandstone, Minn., where he is serving a term for income tax evasion.



Di Giorgio *Calhoun*

Other witnesses Wednesday were Angelo Di Giorgio, former licensee of Kings IV, and William J. Rebholz, an insurance agent with offices at 6300 W. Blue Mound Rd.

Says He Wrote Policies

In 1969 Rebholz said he wrote industrial compensation policies on four night spots linked to Frank Balistrieri.

Rebholz told reporters at the time that Balistrieri asked him to write the insurance, picked up the policies and took the bill. The policies, however, were paid for by separate checks on the four different corporations involved, Rebholz said.

Di Giorgio, 1821 N. Marshall St., was charged with commercial gambling after a witness told investigators he placed bets with Di Giorgio in August, September and October last year, according to the district attorney's office. The charge was dismissed when the witness failed to appear in court.

Refuses to Give Name

A representative of the Milwaukee Cheese Co., 770 N. Springdale Rd., Brookfield, also was among witnesses Wednesday. The man refused to identify himself.

Being called to testify before a grand jury is not an indication that a witness is suspected of wrongdoing. A grand jury tries to determine if there is enough evidence to indict for a crime.

Other witnesses included Miss Susan Bartfield, hostess at Kings IV, and Rudolph Pacchetta, operator of the Rocket Club, 744 N. 3rd St., and Dowetowner, 340 W. Wells.

RECEIVED

Comments:

AUG 16 1971

DC	CIIC

Date: 7-22-71
Publication: Milw. Journal

	O.C.	NARC.	GEN.	SPEC.
Coordination:	Wm		C	

Submitting Unit: Milw

CIIC File #:	OC	1		

OC-1-24

WISCONSIN DEPARTMENT OF JUSTICE
CRIMINAL DIVISION

Grand Jury Here Hears Teamsters' Frank Ramney

Frank H. Ramney, secretary-treasurer of Teamsters Local 200, testified before the federal grand jury for a total of about 13 minutes Thursday afternoon.

Ramney interrupted his testimony twice to consult with Atty. David L. Uelmen outside the jury room.

The third time Ramney entered the jury room, he was there about two minutes before coming back out.

The jury's day ended abruptly after the last session with Ramney.

Atty. Michael H. King, Chicago, of the Justice Department Organized Crime Strike Force, was assisted before the jury Thursday by Atty. Peter Vaira, labor specialist with the strike force.

Aided Indiana Case

Vaira earlier this year presented evidence to a federal grand jury in Indianapolis, Ind. His presentation resulted in the return of an indictment against the president of the International Barbers Union Pension Fund and two others on charges of conspiring to obtain kickbacks on loans from the fund.

Ramney, Uelmen and Raymond J. Fularczyk, an employe of Local 200, refused to comment when they left the jury witness waiting room.

Uelman and Fularczyk Thursday morning had been in the waiting room with two men who gave testimony before the jury. The two men declined to identify themselves. At the noon hour, all four men enter a car licensed to Teamsters Local 200.

Probing Tax Matter

Being called to testify before a grand jury does not mean that witnesses are suspected of any wrongdoing. A grand jury seeks to determine if a crime has been committed.

The grand jury this week has been investigating tax matters involving taverns operated by Frank P. Balistrieri, his relatives and associates.

Frank H. Ramney

According to a statement by Asst. US Atty. Gerald F. Uelmen (no relationship to Atty. David L. Uelmen) on record in Federal Court, Los Angeles, Ramney influenced a Milwaukee bank to lend Frank Balistrieri money through his son, Atty. Joseph Balistrieri.

Ramney denounced the statement in the Wisconsin Teamster, a monthly union newspaper.

The statement filed in court was made after the perjury conviction of Andrew Lococo, a former Milwaukeean, in Los Angeles. He was convicted of lying to grand jury when he denied speaking on the telephone to Ray Mir, a convicted Milwaukee gambler.

The statement said Lococo had "maintained close relationships with many Milwaukee racketeers, and his closest associates included Frank Balistrieri, who "was publicly identified as head of the Milwaukee 'family' of the Cosa Nostra by Sen. John McClellan."

Balistrieri Associate

According to the statement, Ramney, a trustee of the Teamsters Central States Pension

Turn to Page 16, Col. 7

RECEIVED

AUG 16 1971

DCI		CIIC	

Comments:

Date: July 23, 1971
Publication: Milwaukee Sentinel

	O.C.	NARC.	GEN.	SPEC.
Coordination:	Uelm		C	

Submitting Unit: Milw.

CIIC File #:

OC-1-25

JURY

Bank Deposit Cited

Continued From Page 1

Fund in Chicago, was a close associate of Frank Balistrieri.

Ranney told the Continental Bank & Trust Co. in September, 1968, that a large deposit of Teamster Union pension funds would be available if the bank, in turn, granted a loan to Frank Balistrieri through his son, Joseph, according to the statement submitted to the court.

Joseph "has frequently been a cover to conceal his father's interest in various financial transactions," the statement said.

The bank got a $500,000 deposit from the pension fund Sept. 10, 1968, on the same day a commercial loan of $125,000 to Joseph Balistrieri was granted by the bank, the statement said.

$63,000 Loan OK'd

Two weeks later, the statement continued, an additional loan of $63,000 was granted.

Ranney in the Wisconsin Teamster wrote that he had known the Balistrieri family for more than 30 years, from the time Frank Balistrieri's father and uncle signed their first contract with Local 200.

Ranny wrote that the pension fund had an income of more than $12 million a year. He said the money must be invested the day it is received by the fund in order to have the earnings necessary to pay pensions.

"No funds are ever invested in any venture unless the fund's certified public accountant certifies that the income of this project will adequately service the loan and the fund's certified appraiser certifies that the fund has adequate security for its loan," Ranney continued.

Denies Balistrieri Loan

"No loan from the fund has ever been made to any Balistrieri," the statement said.

When he became a trustee of the pension fund, Ranney wrote, the Continental Bank asked if it were possible to receive another certificate of deposit, said as a short term investment.

Ranney said he forwarded the request to the executive secretary of the fund and subsequently a 90 day certificate of deposit in the amount of $500,000 was purchased from the bank by the fund.

The certificate was renewed for another 90 days and then withdrawn to be used according to the timetable of investments, he said.

Procedure Questioned

"Any bank official who would make a 10 year mortgage loan to Joseph Balistrieri or anyone else on the basis of a 90 day certificate of deposit would, on the first examination by state bank examiners, be called to task and, if he didn't correct it, would find his bond cancelled and the bank would be subject to penalties for not complying with legal banking procedures," Ranney wrote.

The jury will convene again Friday.

RECEIVED

AUG 16 1971

DCI CIIC

WISCONSIN DEPARTMENT OF JUSTICE
CRIMINAL DIVISION

Grand Jury Hears Teamster Ranney

23

By Alex P. Dobish
of The Journal Staff

Frank H. Ranney, secretary-treasurer of Teamsters Local 200 and a trustee of the union's $800 million Central States Pension Fund, testified

Frank H. Ranney

in secret before a federal grand jury here Thursday afternoon.

He was behind closed doors for about 15 minutes, interrupting his testimony twice to leave the room to confer with Atty. David L. Uelmen.

Attorneys are not allowed to be with clients while they are being questioned by federal prosecutors or jurors.

For Ranney's appearance, as well as for the testimony of two other unidentified teamster members earlier, the government called in Atty. Peter Vaira, Chicago, a labor specialist with the US Justice Department's Organized Crime Strike Force, which is conducting the inquiry.

Got Earlier Indictment

Vaira earlier this year obtained an indictment against the president of the International Barbers Union and two other officials in Indianapolis on charges that they received kickbacks on loans they approved from their pension fund.

Ranney, Uelmen and Raymond J. Fularczyk, a Local 200 member, refused to comment when they left the Federal Building, where the jury is sitting. Uelmen is an associate of David Previant, chief labor attorney for the Teamsters Union.

Vaira and other government prosecutors declined to comment on the jury proceedings or whether Ranney might be recalled.

It couldn't be determined if Ranney answered all questons or if he declined and was offered immunity from prosecution.

Shortest Appearance

Ranney was before the jurors for the shortest time of any of the teamster witnesses. One of the unidentified men had appeared for an hour and the other for 30 minutes.

If Ranney had been offered immunity to testify after declining to answer, the government would have to petition for immunity in open court before a federal judge.

In answer to questions from a reporter, US Atty. David J. Cannon said that if a decision had been made to grant immunity, newsmen would not

Turn to JURY, page 4, col. 1

RECEIVED
AUG 01 1971

DCI			CIIC

Comments:

Date: July 23, 1971
Publication: Milwaukee Journal

	O.C.	NARC.	GEN.	SPEC.
Coordination:	Uelmen		C	
Submitting Unit:				
CIIC File #:				

OC-126

Jury

Teamster Ranney Testifies

From page 1

know of it immediately. There would be a delay before the public court appearance because the US attomey general in Washington would have to approve any such request.

This presumably would take several days.

No Indication of Crime

Being called to testify is not an indication that a witness is suspected of wrongdoing. The grand jury tries to determine if there is evidence to indict for a crime.

The jury started its current session Monday looking into possible perjury, tax and allied matters in connection with Frank P. Balistrieri, now in Sandstone Federal Prison in Minnesota for income tax evasion.

Got $125,000 Loan

A tie between Balistrieri and Ranney was established in a federal court earlier in a document filed with the court by an assistant US attorney.

The document noted that Balistrieri had been identified as the Mafia chief in this area, and said that Balistrieri obtained a $125,000 loan from a bank after Ranney told the bank that a large teamster deposit would be made if the bank granted the loan to Balistrieri through Balistrieri's son, Joseph, at attorney.

The bank was identified as the Continental Bank & Trust Co., formerly headed by Howard J. Meister, a local Democratic leader who now lives in Honolulu.

The affidavit said that a $500,000 deposit from the pension fund was made Sept. 10, 1968, and that on the same day, a $125,000 loan was made to Joseph Balistrieri.

Turned Down Earlier

The affidavit said that Joseph Balistrieri had tried earlier to get a loan from the bank; but was turned down.

The affidavit said that the younger Balistrieri "has frequently been a cover to conceal his father's interest in various financial transactions."

The Balistrieris have appeared before the grand jury.

The government has accused Frank P. Balistrieri of operating half a dozen Milwaukee night spots through fronts by using his friends and relatives.

Dtnies Fund Misuse

Ranney has denied misuse of pension funds. Writing in the Wisconsin Teamster magazine, Ranney said he had known the Balistrieri family for more than 30 years. He said no loan from the fund had been made to the Balistrieris. He said the money was invested in institutions that offered a worthwhile financial return to the fund.

"When I became a trustee of the pension fund, the president of Continental Bank asked if it were possible for them to receive consideration for another certificate of deposit," Ranney wrote. "I forwarded this request to the executive secretary of the fund and subsequently a 90 day certificate of deposit in the amount of $500,000 was purchased from Continental Bank by the fund.

"It was subsequently renewed for another 90 days and then withdrawn to be used according to the staff's timetable of investments.

Club Is Link

"Any bank official that would make a 10 year mortgage loan to Joseph Balistrieri or anyone else on the basis of a 90 day certificate of deposit would, on the first examination by the state bank examiners, be called to task, and if he didn't correct it would find his bond canceled and the bank would be subject to penalties for not complying with legal banking procedures."

The Kings IV, 720 N. Water St., has been the common link of most of the witnesses testifying before the jury. The club, which has undergone extensive remodeling, is licensed to Peter Gaudesi. The building, however, had been owned by Frank Balistrieri's son, Joseph, the attorney. It has since been sold to First Federal Savings and Loan Association of Wisconsin.

Frank P. Balistrieri

Witnesses have ranged from equipment and food suppliers to the night spot to persons employed there. Two public officials, Milwaukee Ald. Allen R. Calhoun Jr., chairman of the Common Council's License Committee, and Ald. Frank L. Chovanec, Cudahy's 2nd Ward alderman, were among the witnesses.

The jury is continuing to hear testimony.

WISCONSIN DEPARTMENT OF JUSTICE
CRIMINAL DIVISION

Grand Jury Hears Local Teamster Chief

Roy C. Lane, president of Teamsters Union Local 200, testified before the federal grand jury here Friday.

And he told a reporter later that questions put to him were "solely related to DRIVE and the contributions made by DRIVE to various candidates for federal office" in Wisconsin.

DRIVE stands for Democratic Republican Independent Voters Education. It is the Teamsters Union's political arm.

"I want it clear that no questions were asked me which involved anything related to Frank Balistrieri (Milwaukee nightclub operator)," Lane told the reporter.

Denies Implication

Lane testified for about 1½ hours, starting about 9:30 a.m. He said that "no questions were asked implying that either myself or any other officer of Teamsters Local 200 were quilty of any wrongdoing.

"At no time while I was on the stand did they even imply that I was dishonest in the handling of union funds. I was treated very courteously by the jury and federal investigators," Lane told the reporter.

Lane said he told the jury that while federal law forbids the use of general union funds for political campaigns, DRIVE money was voluntarily contributed by Teamster members. Members can stop the contributions at any time, he said.

Lane said that persons contributing to DRIVE have 50 cents of their monthly union dues placed into the political fund.

He said that "if we did violate the law, it was done unintentionally and with the advice of attorneys and national union officers."

Explains Testimony

Lane said: "I was subpenaed to appear in the Federal Building to give testimony in an investigation being conducted into various political activities of DRIVE. This is the first time in 20 years (as Local 200 president) that I've ever been questioned by the government about political contributions in Wisconsin."

He said the questioning pertained to contributions made between 1968 and 1970.

Lane would not identify federal candidates who received DRIVE money.

Two other men connected with teamster activities testified before the grand jury Friday. They would not identify themselves.

Three other men affiliated with the Teamsters testified Thursday before the jury. Among them was Frank H. Ranney, secretary-treasurer of Local 200.

Being called to testify before a grand jury does not mean that witnesses are suspected of any wrongdoing. A grand jury seeks to determine whether a crime has been committed.

Atty. Michael H. King, Chicago, with the Justice Department Organized Crime Strike Force, said that the jury would convene again on Aug. 10.

The jury returned two indictments Friday:

- Robert G. Gennerman, 34, was charged with the $1,895 robbery of the Consolidated Savings & Loan Association, 345 W. Wells St., on July 16. He also was charged with jeopardizing the life of an employe by the use of a dangerous weapon, a gun. Gunnerman is in the Waukesha County Jail.
- Paul V. Case, 47, address unknown, was charged with interstate transportation of stolen goods, six volumes of a stamp collection valued at more than $5,000.

RECEIVED

AUG 01 1971

DCI			CIIC

Comments:

Date: July 29th, 1971
Publication: Milwaukee Sentinel

	O.C.	NARC.	GEN.	SPEC.
Coordination:	Wm.		C	
Submitting Unit:	-			
CIIC File #:				

OC-1-27

CASE ACTIVITY REPORT
DJ-DCI-25

WISCONSIN DEPARTMENT OF JUSTICE
Division of Criminal Investigation — Operations
123 W. Washington Ave.
Madison, Wisconsin 53703

Date: June 14, 1971

Case No.: OC-1

INVESTIGATORS: S/A D. Michael Guerin & C/I Charles J. Lelinski

SUBJECT OF INVESTIGATION: FRANK BALISTRIERI, Re: KINGS IV

On Monday, June 14, 1971, S/A GUERIN and C/I LELINSKI entered the KINGS IV TAVERN at 720 North Water Street, Milwaukee. The only person present was the bartender, M[redacted] V[redacted], W/M, D.O.B. [redacted], home address of [redacted], Milwaukee. City of Milwaukee Class D (bartender's license) #11350. S.S.A.N.: [redacted]. Telephone number [redacted]. V[redacted] said that he lives at home with his parents and works full time at the HEIL COMPANY.

V[redacted] said that he works at the KINGS IV for S[redacted] C[redacted] and is paid by check, but has not received a check as yet.

DMG:kmj

RECEIVED
AUG 06 1971
DCI CIIC

CASE ACTIVITY REPORT
DJ-DCI-25

WISCONSIN DEPARTMENT OF JUSTICE
Division of Criminal Investigation — Operations
123 W. Washington Ave.
Madison, Wisconsin 53703

Date: July 28, 1971

Case No.: OC-1

INVESTIGATORS: Richard H. Anderson and D. Michael Guerin, Special Agents

SUBJECT OF INVESTIGATION: FRANK P. BALISTRIERI re: Surveillance

On Monday, July 26, 1971 and Tuesday morning, July 27, 1971, S/A's RICHARD H. ANDERSON and D. MICHAEL GUERIN conducted a surveillance of the AD LIB, 323 West Wells Street, THE DOWNTOWNER, 340 West Wells Street and the BRASS RAIL, 744 North 3rd Street.

Following is a summary of that surveillance:

1:50 a.m. (7-27-71) S[redacted] B[redacted] leaves the AD LIB, 323 West Wells Street, and goes to the DOWNTOWNER, 340 West Wells Street. She is carrying a grey paper bag, a gift box wrapped with ribbon, and a white handbag. She enters the front door.

2:05 a.m. JAMES JENNARO leaves the AD LIB and goes to the DOWNTOWNER. He enters through the front door. He was not carrying anything in his hands. At about 2:08 a.m., JENNARO leaves the DOWNTOWNER, enters his auto and leaves the area.

2:40 a.m. RUDY PORCHETTA arrives at the DOWNTOWNER. PORCHETTA is not carrying anything in his hands. He enters the DOWNTOWNER throught the front door.

At this time, the Agents left the downtown area and took up a surveillance in front of 1634 North Jackson. Agents remained at 1634 North Jackson until 4:00 a.m., when the surveillance was discontinued. No one had arrived up to that time. Agents then returned to the Downtown area and found JOE MANIACI'S and RUDY PORCHETTA'S auto gone.

RHA:sv

RECEIVED

AUG 06 1971

DCI		CIIC	

OC-1-29

CASE ACTIVITY REPORT
DJ-DCI-25

WISCONSIN DEPARTMENT OF JUSTICE
Division of Criminal Investigation — Operations
123 W. Washington Ave.
Madison, Wisconsin 53703

Date: July 28, 1971

Case No.: OC-1

INVESTIGATORS: Special Agents Richard H. Anderson and D. Michael Guerin

SUBJECT OF INVESTIGATION: FRANK BALISTRIERI re: Surveillance

On Wednesday, July 28, 1971, S/A GUERIN and S/A ANDERSON established surveillance at North 4th and West Wells Streets and made the following observations:

1:40 a.m. PETER BALISTRIERI parked his auto at 343 West Wells Street and entered the AD LIB tavern, 323 West Wells Street.

1:56 a.m. Lights turned out at AD LIB.

2:04 a.m. PETER BALISTRIERI left the AD LIB, walked to the corner of North 4th and West Wells Street then returned to his auto and left the area.

2:10 a.m. City Veteran Cab #23 drove up to the west door of the DOWNTOWNER, 340 West Wells Street, a few minutes later an elderly female employee came out, got in the cab and left.

2:22a.m. Blonde employee (L[redacted]) left the AD LIB, got in a Mustang, Wisconsin license GD 4740, listed to M[redacted] M[redacted], [redacted], Menomonee Falls and left the area.

2:25 a.m. JOSEPH ENEA left the AD LIB and walked to the DOWNTOWNER. He knocked at the rear (west) door and was admitted by JOSEPH MANIACI. (He did not appear to have any bag either time.)

2:31 a.m. JOSEPH ENEA left the DOWNTOWNER and walked to the alley next to the AD LIB. Unable to observe if he entered the AD LIB by rear door.

2:45 a.m. RUDOLPH PORCHETTA left the BRASS RAIL, 744 North 3rd Street, and walked to the DOWNTOWNER. Entered the DOWNTOWNER via the front door. PORCHETTA was not carrying anything.

RECEIVED
AUG 06 1971

DCI		CIIC	

OC-1-30

3:15 a.m. PORCHETTA and MANIACI left the DOWNTOWNER, got in their autos, and drove west from 4th Street. MANIACI took the Expressway north to west Keefe Avenue, exited, in the area of his home. Agents immediately drove to 1634 North Jackson Street and established surveillance but did not observe any activity.

4:00 a.m. ENEA'S auto no longer parked in front of the AD LIB. (Auto was parked there at 3:50 a.m.)

Note: Throughout the later part of the surveillance, Agents became aware of the presence of several persons in the area who also appeared to be concerned with activities at the AD LIB and DOWNTOWNER. One person was standing on the corner of North 4th and West Wells Street and at one time appeared to be following S/A ANDERSON who was on foot in the area.

RHA:sv

CASE ACTIVITY REPORT
DJ-DCI-25

WISCONSIN DEPARTMENT OF JUSTICE
Division of Criminal Investigation — Operations
123 W. Washington Ave.
Madison, Wisconsin 53703

Date: July 30, 1971

Case No.: OC-1

INVESTIGATORS: S/A Richard H. Anderson - S/A D. Michael Guerin

SUBJECT OF INVESTIGATION: FRANK P. BALISTRIERI, Re: Surveillance

On Thursday, July 29, 1971, and Friday morning, July 30, 1971, Special Agents RICHARD H. ANDERSON and D. MICHAEL GUERIN conducted a surveillance of the AD LIB, 323 West Wells Street and of the DOWNTOWNER, 340 West Wells Street, Milwaukee. Following are the results of that surveillance:

1:50 a.m. (July 30, 1971) White/Female bartender L[redacted] (LNU) leaves the AD LIB and walks to the DOWNTOWNER. She enters the DOWNTOWNER, remains for approximately one minute, then returns to the AD LIB.

2:15 a.m. JOE ENEA leaves the AD LIB and walks to the DOWNTOWNER. ENEA is carrying a brown paper bag. ENEA enters the DOWNTOWNER through the front door and leaves almost immediately. He enters his auto and leaves the area. (Agents were unable to determine if he was carrying the paper bag when he left the DOWNTOWNER.)

3:05 a.m. RUDY PORCHETTA enters the DOWNTOWNER through the front door. PORCHETTA was not carrying anything in his hands.

3:15 a.m. JOE MANIACI and RUDY PORCHETTA leave the DOWNTOWNER and enter their respective autos and leave the area.

At this time, Agents took up a surveillance at 1634 North Jackson Street. No activity was noted at 1634 North Jackson Street. The lights were on in the upper front apartment. Agents discontinued the surveillance at 3:45 a.m.

RHA:kmj

RECEIVED

AUG 06 1971

DCI			CIIC

OC-1-31

CASE ACTIVITY REPORT
DJ-DCI-25

WISCONSIN DEPARTMENT OF JUSTICE
Division of Criminal Investigation — Operations
123 W. Washington Ave.
Madison, Wisconsin 53703

Date: July 29, 1971

Case No.: OC-1

INVESTIGATORS: S/A D. Michael Guerin - S/A Richard H. Anderson

SUBJECT OF INVESTIGATION: FRANK BALISTRIERI, Re: Surveillance

On Thursday, July 29, 1971, S/A'S GUERIN and ANDERSON established surveillance at North 4th Street and West Wells Street and made the following observations:

1:15 a.m. ANGELO DiGIORGIO drove east on West Wells Street in a blue Oldsmobile 4-door, 1971 Wisconsin license Z65-444 (listed to G[redacted] M[redacted] P[redacted], [redacted]).

1:45 a.m. JAMES JENNARO locked the front door of the AD LIB, 323 West Wells Street.

1:53 a.m. Band members (COZY EGGLESTON QUARTET) left via the side door of the AD LIB and the lights were turned out.

1:55 a.m. JAMES JENNARO left the AD LIB via the rear door and walked to the DOWNTOWNER, 340 West Wells Street. (He did not appear to be carrying anything.)

1:57 a.m. JAMES JENNARO left the DOWNTOWNER and drove away in a 1971 yellow Mustang, 1971 Wisconsin license P92-052 (Listed to R[redacted] W[redacted] S[redacted], [redacted]. There is a [redacted] at [redacted].).

2:50 a.m. RUDOLPH PORCHETTA left the BRASS RAIL, 744 North 3rd Street, and walked to the DOWNTOWNER. He did not appear to be carrying anything.

2:55 a.m. RUDOLPH PORCHETTA and JOSEPH MANIACI left the DOWNTOWNER, got in their own autos and left the area.

Agents then established surveillance at 1634 North Jackson Street but did not observe any activity at that address.

DMG:kmj

RECEIVED
AUG 06 1971

DCI			CIIC

OC-1-32

CASE ACTIVITY REPORT
DJ-DCI-25

WISCONSIN DEPARTMENT OF JUSTICE
Division of Criminal Investigation — Operations
123 W. Washington Ave.
Madison, Wisconsin 53703

Date:

Case No.: OC-1

INVESTIGATORS: Special Agents D. Michael Guerin and Richard Anderson

SUBJECT OF INVESTIGATION: FRANK BALISTRIERI, Re: Surveillance

On Saturday, July 31, 1971, S/A's GUERIN and ANDERSON established surveillance in the area of North 3rd and West Wells Streets and made the following observations:

1:00 a.m. JOSEPH ENEA left the AD LIB, 323 West Wells Street, got in his own auto and drove away from the area. He did not go to 1634 North Jackson Street. Surveillance discontinued when he continued north past East Brady Street.

1:45 a.m. Lights out at the AD LIB. JAMES JENNARO locked the front door. At this time agents observed an individual who appeared to be watching the agents. This was the same person who had been observed on July 27, 1971, at about the same time. He identified himself as D[redacted] [redacted] B[redacted], W/M, D.O.B. [redacted], home address [redacted], Milwaukee, employed at [redacted], SSAN: [redacted], Wisconsin Driver's License [redacted], (1970 green Oldsmobile, 2-door, Y43-916). B[redacted] said that he was trying to locate a R[redacted] K[redacted] (ph) who used to work as a bartender at the DOWNTOWNER, 340 West Wells Street, Milwaukee.

2:05 a.m. JAMES JENNARO'S auto, yellow Mustang P92-052, gone from in front of the AD LIB.

3:00 a.m. RUDOLPH PORCHETTA left the BRASS RAIL and walked to the DOWNTOWNER. He did not appear to be carrying anything.

3:25 a.m. RUDOLPH PORCHETTA and JOSEPH MANIACI left the DOWNTOWNER, got into their respective autos and left the area.

Agents immediately established surveillance at 1634 North Jackson Street, but there was no activity. Neither MANIACI nor PORCHETTA appeared in the area.

RECEIVED
AUG 11 1971

DMG:kmj

DCI	-	CIIC	

OC-1-34

CASE ACTIVITY REPORT
DJ-DCI-25

WISCONSIN DEPARTMENT OF JUSTICE
Division of Criminal Investigation — Operations
123 W. Washington Ave.
Madison, Wisconsin 53703

Date: August 12, 1971

Case No.: OC-1

INVESTIGATORS: Auditor Gary J. Metzger

SUBJECT OF INVESTIGATION: [redacted]

On August 12, 1971, Auditor GARY J. METZGER extracted the following information from Wisconsin tax returns filed by [redacted]:

Name: [redacted]
Social Security: [redacted]
Address: [redacted]
Prior Address: [redacted]
Occupation: [redacted]

Dependents:

Name: [redacted] (wife)
Social Security: [redacted]
Occupation: Secretary

Name: [redacted]

Name: [redacted]

Name: [redacted]

Report prepared by GEIN GAER (?), 100 North LaSalle Street, Chicago, Illinois.

1969 Income

[redacted]

SEP 7 1971

DCI			CIIC

OC-1-35

1968 Income

[redacted]

1967 Income

[redacted]

1966 Income

[redacted]

Other Information: Real estate taxes [redacted]; Home mortgage interest expense [redacted]; Interest expense to F. K[redacted], Belgium, Wisconsin [redacted].

GJM:so

(SCONSIN DEPARTMENT OF JUSTICE
CRIMINAL DIVISION

Balistrieri Loses Plea for Parole

Frank P. Balistrieri's request for parole from the federal Correctional Institution at Sandstone, Minn., was denied by the US Board of Parole in Washington, D. C., Monday.

Balistrieri is serving one year and a day on a 1967 conviction of two counts of income tax evasion. He began the term on June 28.

He appeared before the parole board at Sandstone Aug. 3, but the decision was not announced until Monday.

Balistrieri and his attorneys may ask that the board reconsider its decision within 30 days.

Warden Loren Daggett said Balistrieri was living in a dormitory with about 40 other prisoners. He has a work assignment, but Daggett declined to say what it is.

The warden said only that it was "a routine assignment in keeping with his physical condition; he's up in years and has a history of heart problem, so he's not digging any ditches."

Daggett said Balistrieri had been no problem, but neither was he a model prisoner.

He described him as "just average."

Even if all requests for parole are denied, Balistrieri must be released Apr. 17, if he has not lost any good behavior time.

RECEIVED

SEP 24 1971

DCI			CIIC

Comments:

Date: 9-21-71
Publication: Milwaukee Journal

	O.C.	NARC.	GEN.
Coordination:			

Submitting Unit:
CIIC File #: OC-1

OC-1-36

CASE ACTIVITY REPORT
DJ-DCI-25

WISCONSIN DEPARTMENT OF JUSTICE
Division of Criminal Investigation — Operations
123 W. Washington Ave.
Madison, Wisconsin 53703

Date: August 11, 1971

Case No.: OC-1

INVESTIGATORS: Auditor Gary J. Metzger

SUBJECT OF INVESTIGATION: [redacted] - Tax Audit

On August 11, 1971, Auditor GARY J. METZGER extracted the following information from the Wisconsin Individual Income Tax file of [redacted]:

Name:
SSN:
Address:

Prior Address:

Occupation:
Spouse:
SSN:
Occupation:

[redacted]

1969 Income

[redacted]

1968 Income

[redacted]

RECEIVED

SEP 28 1971

DCI - CIIC
OC-132

[redacted]

1967 Income

[redacted]

1966 Income

[redacted]

GJM:ms

CASE ACTIVITY REPORT
DJ-DCI-25

WISCONSIN DEPARTMENT OF JUSTICE
Division of Criminal Investigation — Operations
123 W. Washington Ave.
Madison, Wisconsin 53703

Date: September 24, 197

Case No.: OC-1; OC-19; and 10-6

INVESTIGATORS: Assistant Director Herbert Krusche and Assistant Attorney General Leroy Dalton

SUBJECT OF INVESTIGATION: Interview - SALLY PAPIA re: FRANK BALISTRIERI - H[redacted] M[redacted] - E[redacted] S[redacted]

On several occasions while Assistant Director KRUSCHE was having lunch at SALLY'S STEAK HOUSE, SALLY PAPIA requested that Assistant Director KRUSCHE bring Assistant Attorney General LEROY DALTON to see her at her restaurant, "SALLY'S STEAK HOUSE." She said that she wanted to congratulate DALTON for winning his lawsuit against H[redacted] M[redacted] and give him some information that might be useful to him. She said that DALTON had talked to her about M[redacted] several years ago and that she was willing to help to "fix M[redacted]'S wagon" any way she could.

DALTON was in Milwaukee on September 7, 1971 on a case so Assistant Director KRUSCHE asked DALTON if he wanted to have dinner at SALLY'S and see what she wanted to talk about. KRUSCHE and DALTON went to SALLY'S STEAK HOUSE at about 6:15 p.m. on Tuesday, September 7, 1971. SALLY was present and sat with DALTON and KRUSCHE until about 9:15 p.m., discussing M[redacted], E[redacted] S[redacted], FRANK BALISTRIERI, and FRANK BUCCIERI. The following are some of the more important statements made by SALLY during this meeting.

SALLY advised that she dislikes H[redacted] M[redacted] very much primarily because she had lent him $25,000.00 and he refused to pay her back. SALLY said that she was engaged in a romantic relationship with M[redacted] for about a year prior to DALTON starting his lawsuit. She said that she felt justified in dating M[redacted] even though he was married, because he had left home. SALLY said that FRANK BALISTRIERI was her godfather and that BALISTRIERI did not like M[redacted]. SALLY said that she had talked to BALISTRIERI and asked him to accept M[redacted] because he may be part of the family at some future date. SALLY said that it was at about this time (about three years ago) that M[redacted] started to be very friendly with FRANK BALISTRIERI. SALLY said that she does not believe that M[redacted] was really serious about her and that the only reason he wanted to go with her was so that he could get close to FRANK BALISTRIERI so that various Teamster Union funds could be put into M[redacted]'S bank. When Assistant Director KRUSCHE asked SALLY what control FRANK BALISTRIERI had over union funds, she replied, "You know my godfather has friends in the Teamster Union." SALLY advised that just after the case in Madison was dismissed against M[redacted], he started a very vicious campaign to get LEROY DALTON thrown out of the Attorney Generals Office.

RECEIVED
SEP 29 1971
CRIMINAL INVESTIGATION DIVISION

DCI			CHC

OC-1-38

She said that M[redacted] had hired some private investigators to try to get something on DALTON and Judge TORPHY of Madison. She said that M[redacted] kept bragging that he would get DALTON if it was the last thing he ever did. SALLY said that E[redacted] S[redacted] is a cousin to H[redacted] M[redacted]. She said that S[redacted] operates a barber shop somewhere on the north side of Milwaukee and that he also has prostitutes working for him. She said that whenever H[redacted] M[redacted] on a public official, S[redacted] would get the girls for the party and then pictures were taken of the girls with various officials and M[redacted] had them under his thumb. SALLY said that after a recent burglary of her residence all her jewelry turned up as being fenced through E[redacted] S[redacted]. She said that she has received most of the jewelry back again and said that it came from the Milwaukee Police Department who had recovered it. When asked about FRANK BUCCIERI, SALLY stated that she has broken up with BUCCIERI and that she had never married him. SALLY said that, "The boys in Chicago said we were married so I just went along with it." SALLY said that she can not understand why law enforcement people were always able to arrest her uncle, JOHN PISCUINE, for commercial gambling when he only took small bets. She said that H[redacted] M[redacted] used to place bets as high as $2,000.00 at a time. SALLY said that the "Jews are worse than the Dagos any time." SALLY said that M[redacted] has only a very few friends left in Milwaukee because he has cheated most of the people that trusted him. SALLY said that M[redacted] is very friendly with the FAZIOS, primarily LOUIE FAZIO. She said that M[redacted] has been trying to get the FAZIOS to open an illegal gambling operation in Hawaii.

SALLY said that FRANK BALISTRIERI was looking very well during his stay in Sandstone Prison and that the rest would do him good. She said that everyone around him was hoping that they would put him away for a little while. SALLY said that his family and herself had asked him to close up all his taverns so that there would be no more heat on him. SALLY also mentioned the fact that N[redacted] S[redacted] had worked for "her godfather", at THE KINGS IV and had stolen a lot of things from there. She said that S[redacted] now operates a restaurant on Brady Street in Milwaukee, but it is a "garbage hut."

SALLY PAPIA advised that if she received any information relating to E[redacted] S[redacted], and his fencing of stolen goods, or engaging in pandering, she would call Assistant Director KRUSCHE.

HLK:ms

ACTIVITY REPORT
CI-25

WISCONSIN DEPARTMENT OF JUSTICE
Division of Criminal Investigation — Operations
123 W. Washington Ave.
Madison, Wisconsin 53703

Date: October 8, 1971

Case No.: OC-1

INVESTIGATORS: Special Agent Alfred F. Suhr

SUBJECT OF INVESTIGATION: FRANK P. BALISTRIERI

On August 27, 1971, FRANK A. MEYERS, Director of Operations, directed a memorandum to HERBERT L. KRUSCHE, Assistant Director of Operations, in which MEYERS indicated that on August 25, 1971 a woman resident of Door County advised MEYERS that she heard that FRANK BALISTRIERI of Milwaukee had purchased a summer retreat at Gills Rock, Wisconsin. In his memo, MEYERS further suggested that some type of follow up be made with Door County Sheriff BRIDENHAGEN. As a result of this memorandum, Special Agent SUHR, on September 20, 1971, telephonically contacted Sheriff BRIDENHAGEN and requested that Sheriff BRIDENHAGEN make discreet inquiries to determine whether or not FRANK BALISTRIERI does have any type of interest in the Door County area.

On October 8, 1971, Special Agent SUHR telephonically re-contacted Sheriff BRIDENHAGEN to determine the results of his discreet inquiries. Sheriff BRIDENHAGEN indicated that he had checked several post offices, the Door County Register of Deeds Office, and he had also reviewed the tax listings and all of these proved negative regarding FRANK BALISTRIERI.

Sheriff BRIDENHAGEN added that should FRANK BALISTRIERI come to his or his departments attention he would immediately notify the Milwaukee DCI Office.

AFS:ms

RECEIVED

OCT 18 1971

DCI			CIIC

OC-1-39

October 10, 1971

OC-19

Assistant Director Herbert L. Krusche HK

FRANK BUCCIERI - JOSEPH BALISTRIERI, Attendance at the PHIL ALDERISIO funeral in Chicago on September 28, 1971.

Assistant Director KRUSCHE received the following information from SALLY PAPIA on September 29, 1971 in regard to her trip to Chicago on September 28, 1971 to attend the PHIL ALDERISIO funeral. SALLY PAPIA advised that she has known PHIL ALDERISIO since she was a little girl and that she assisted in making funeral arrangements for him. SALLY PAPIA said that ALDERISIO'S wife, M[redacted], was in a sanitarium dying of cancer. She said that ALDERISIO'S son turned out to be "a no good nick" and did not appear at the funeral. SALLY PAPIA advised that FRANK BUCCIERI assisted her in making arrangements for the funeral in question and that Attorney JOSEPH BALISTRIERI attended the funeral with her. SALLY said that FRANK P. BALISTRIERI, her godfather, was a very close compadre of PHIL ALDERISIO. She said that BALISTRIERI had a slight heart attack in Sandstone Prison after he had heard about ALDERISIO'S death. SALLY also advised that Attorney JOSEPH BALISTRIERI attended the funeral because PHIL ALDERISIO was his godfather. She said that she was very upset with the priest at the church in Chicago where ALDERISIO was supposed to be buried from. SALLY said that the priest refused to present a high mass for ALDERISIO in the church. SALLY PAPIA said that she thought this was very unfair because ALDERISIO had donated $158,000.00 to the particular church about a year ago because it was named after a saint that his mother was named after. She said that the priest did come to the cemetery but that he did not stay very long. SALLY also advised that there were more FBI men and policemen at the funeral than friends. She said she had arranged for seven hearses to take people from the funeral home to the cemetery but that only three of the hearses were filled and that very few people attended the funeral.

LEAD: GARY LONG of IBI was advised of the aforementioned information by phone on October 8, 1971, by Assistant Director KRUSCHE.

HLK:ms
cc: OC-1
cc: OC-6

RECEIVED

OCT 18 1971

DCI - CIIC

OC-1-40

October 10, 1971

OC-19

Assistant Director Herbert L. Krusche HK

Request for information from I.B.I. re: Vehicle listed to SALLY'S STEAK HOUSE in Milwaukee (K576)

Special Agent GARY LONG of the ILLINOIS BUREAU OF INVESTIGATION (IBI) called Assistant Director KRUSCHE on September 28, 1971 and advised that an auto listed to SALLY'S STEAK HOUSE in Milwaukee was observed at the funeral of PHIL ALDERISIO in Chicago on this date. LONG advised that a white female, about 35 years old, a younger male, and a man believed to be FRANK BUCCIERI, was in this auto. LONG advised that the funeral was held in Chicago on this date and that he would like to know who attended the funeral from Milwaukee with the unknown female believed to be SALLY PAPIA.

HLK:ms
cc: OC-1
cc: OC-6

RECEIVED

OCT 18 1971

DCI	-	CIIC

CASE ACTIVITY REPORT
DJ-DCI-25

WISCONSIN DEPARTMENT OF JUSTICE
Division of Criminal Investigation — Operations
123 W. Washington Ave.
Madison, Wisconsin 53703

Date: October 21, 197

Case No.: OC-1

INVESTIGATORS: Assistant Director Herbert L. Krusche HK

SUBJECT OF INVESTIGATION: FRANK BALISTRIERI - Information received from SALLY PAPIA

Assistant Director KRUSCHE stopped at SALLY'S STEAK HOUSE on Monday evening, October 11, 1971, for dinner. SALLY PAPIA came over to A/D KRUSCHE and talked about the following matters.

SALLY advised that she grew up in the east side section of Milwaukee and that is how she happens to know the BALISTRIERI family. She said that when she was younger she actually did washing and ironing for the BALISTRIERI family and further stated that the BALISTRIERI family never had to work and that they always seemed to have money. She stated that FRANK BALISTRIERI is her god-father and that he is very strict about keeping his family out of any illegal activities. She said that FRANK BALISTRIERI also sees to it that she does not become involved with any of the undesirables that visit her place of business. She stated that FRANK BALISTRIERI'S brother, PETER BALISTRIERI, like FRANK BUCCIERI who is a brother of FIORE BUCCIERI, is not actually a member. When A/D KRUSCHE asked SALLY what she meant by a member, she smiled and said "You know what I mean - the organization." SALLY advised A/D KRUSCHE that the FAZIOS were engaged in illegal gambling activities and she does not know why they never are arrested. When A/D KRUSCHE asked SALLY how close FRANK BALISTRIERI was to the FAZIOS, she stated that FRANK does not like the FAZIOS that well because they never clear anything with him. When A/D KRUSCHE asked SALLY what she meant by "clear anything with him," she smiled again and said "You know everything has to be cleared with my god-father." SALLY said that PHIL ALDERISIO paid for FRANK BALISTRIERI'S legal fees in his fight to overturn the Federal Tax conviction. SALLY said that PHIL ALDERISIO paid in excess of $150,000.00 for FRANK BALISTRIERI'S defense. SALLY also said that PHIL ALDERISIO paid for all of the furnishings and law books in Attorney JOSEPH BALISTRIERI'S office, because PHIL ALDERISIO was JOSEPH BALISTRIERI'S god-father. SALLY said that when FRANK BALISTRIERI heard that PHIL ALDERISIO had died, he had a slight heart attack. SALLY said that FRANK BALISTRIERI has no other connections in Chicago other than PHIL ALDERISIO and that she believes that he is close to being broke personally. SALLY said that she lent FRANK BALISTRIERI $4,000 in December of 1970, and that she does not expect she would get it back.

When A/D KRUSCHE asked SALLY why she didn't get her money back from FRANK BALISTRIERI after he sold the KINGS IV, she said

RECEIVED

OCT 29 1971

DCI	-	CIIC
OC	1	42

OC-1-42

"He owed the Union a loan of over $200,000 and owed everybody else for items that they put into the business." A/D KRUSCHE asked SALLY what she thought BALISTRIERI made on the transaction after he paid all his debts and she said "maybe $15,000." When A/D KRUSCHE smiled at this answer SALLY asked whether or not FRANK BALISTRIERI made more money on the transaction and A/D KRUSCHE advised that he could not discuss the matter with her. When A/D KRUSCHE asked SALLY about BENNEDETTA BALISTRIERI, she stated that BENNEDETTA was going with a hippie and that she was using marijuana. SALLY also said that Attorney JOSEPH BALISTRIERI was using marijuana and that their mother knew about it. She said that FRANK BALISTRIERI found out about JOSEPH and BENNEDETTA using marijuana just prior to going to prison. She said he was very upset and raised hell. SALLY said that JOSEPH BALISTRIERI has not been in her restaurant for about a month because he became angry after she did not have immediate seating for him and a very young Assistant District Attorney that BALISTRIERI brought in for dinner about a month ago. She said that JOSEPH BALISTRIERI left the restaurant the night in question and hasn't been back since. SALLY said, "JOSEPH BALISTRIERI is just a spoiled brat."

A/D KRUSCHE advised SALLY that it would probably be for her best interest not to be talking to A/D KRUSCHE in the restaurant because the word would probably get back to FRANK BALISTRIERI that she was too friendly. SALLY said that she did not doubt that word would get back to FRANK BALISTRIERI but she was not worried about it. SALLY said that she had nothing to say that A/D KRUSCHE already did not know. SALLY asked whether or not there was some reason that she had been getting a lot of attention from Tax people in recent months. She said that various state and federal tax auditors have been in auditing her books and records almost constantly. A/D KRUSCHE advised SALLY that he had no knowledge of this and it was not a part of his responsibilities. SALLY said that FRANK BALISTRIERI told her that anyone remotely connected with him was getting an excessible amount of attention from A/D KRUSCHE. A/D KRUSCHE advised SALLY that this was not true and that he felt FRANK BALISTRIERI was a little paranoid.

SALLY asked A/D KRUSCHE just what he was interested in as far as Organized Crime is concerned. A/D KRUSCHE advised SALLY that he would like to have the people that killed ISADORE POGROB and ANTHONY BIERNAT step forward and sign a statement to the effect that they killed these persons. SALLY said that POGROB tried to cross up the wrong people by not paying for a load of stolen whiskey that came out of Chicago. She said that under the circumstances he probably had it coming. She said that she had no knowledge about the BIERNAT death.

A/D KRUSCHE noted that SALLY'S bartender, FRANKIE TREVATO was on the premises and asked SALLY how close TREVATO was to FRANK BALISTRIERI. SALLY advised that TREVATO did not like BALISTRIERI and BALISTRIERI did not like TREVATO. SALLY said that several years ago TREVATO was going with BALISTRIERI'S niece and got into an argument with her and slapped her in the face. SALLY said that FRANK BALISTRIERI did not forget this. SALLY also said that TREVATO was a boxer and that BALISTRIERI tried to promote him years ago but TREVATO'S family would not let him be promoted by BALISTRIERI. She said that BALISTRIERI always held a grudge against TREVATO because of these facts and that after BALISTRIERI observed him working for her he told her "get rid of that bum, he's no good."

SALLY advised that PHIL ALDERISIO was in her restaurant approximately two times since she opened it up. Said that on both occasions he appeared there with FRANK BALISTRIERI. She said that on the first occasion that he appeared at her restaurant he advised her that he thought she had a pretty nice place and asked her if she wanted a partner. SALLY said she declined. ALDERISIO advised that she could probably open one or two places like the one she had and make more money and if she was ever interested in having a partner he was willing to finance her. SALLY said that she never wanted to become involved with ALDERISIO in any business. SALLY denied that FRANK BALISTRIERI has any financial interest in her business and asked A/D KRUSCHE if he had ever seen BALISTRIERI operate a successful business such as she had going in SALLY'S STEAK HOUSE.

A/D KRUSCHE advised SALLY that he had to leave to attend a class at MARQUETTE. SALLY attempted to pick up the check for $3.65 but A/D KRUSCHE refused to let her do so. KRUSCHE advised SALLY that she did not take the money but leave it on the table and would refuse to patronize her in the future. SALLY advised that she just wanted to be friendly but she'd rather have A/D KRUSCHE come back to her restaurant.

HLK:sv
cc: OC-19

AD-75

DEPARTMENTAL CORRESPONDENCE

Date: November 2, 1971

To: Herbert Krusche

From: Peter Peshek

Subject:

On Wednesday afternoon, October 27, 1971 J[redacted] G[redacted]'s attorney, Steve Enich, informed me of the following information:

Enich indicated he knew how Frankie Balistrieri got his cut of the gambling proceeds from O[redacted] P[redacted]. He indicated that O[redacted] P[redacted] was provided "hot" booze and that while paying Balistrieri's boys for that booze, additional money would be given to him for the gambling operation run by P[redacted]. I asked him which one of Frankie's boys handled the actual delivery of the booze and the payment of the money. He said he did not know.

It should be noted that previous intelligence reports indicate that there is at least one reference to "Enna's bottles" being used at the Clock bar. JACK ENCA

Enich further informed me that John Morn is not directly taking bets. Enich informed me that he had a friend, who was a businessman in the $100,000 a year catagory, who still placed bets via Morn. However, what he would do was call Morn and indicate an interest in betting, and Morn would tell him that he would receive a phone call in a few minutes. This businessman would then receive a phone call from an anonymous subject. Or, on occasion, this businessman would be given a number to call. Morn was doing this as his betting M. O. ever since he has been arrested. Morn is no longer directly taking bets, according to Enich.

Peter A. Peshek
Assistant Attorney General

PAP:mz

cc: Frank Meyers

copies to OC-1
OC-32
OC-35
H/K.

RECEIVED
NOV 8 1971

DCI			CIIC

HR.

E INFORMATION MEMO

-2

CIIC -06

Date 11-10-71 Time

ROM: Krusche Of

TELEPHONE: Area Code & Number Ext. Received By

☐ PLEASE CALL ☐ RETURNING YOUR CALL

☐ WILL CALL AGAIN ☐ CALLED TO SEE YOU

PLEASE:

☐ COMMENT
☐ NOTE
☐ SEE ME
☐ INVESTIGATE
☐ TAKE NECESSARY ACTION
☐ APPROVE
☐ SIGN
☐ REVISE
☐ PREPARE REPLY FOR MY SIGNATURE
☐ REPLY DIRECTLY
☐ ROUTE TO:

AND:

☐ RETURN
☐ FILE

REMARKS /MESSAGES

Note on all index cards that this serial is a federal indictment. m

DUPLICATING:

_____ NO. OF COPIES

TYPING:

_____ DATE NEEDED ☐ SINGLE SPACE ☐ FINAL COPY

☐ ROUGH DRAFT ☐ DOUBLE SPACE ☐ CARBONS _____

UNITED STATES DISTRICT COURT
EASTERN DISTRICT OF WISCONSIN

UNITED STATES OF AMERICA	)	
	)	
v.	)	
	)	
FRANK BALISTRIERI	)	NO. 71-CR-201
JOSEPH P. BALISTRIERI	)	VIO. 18 U.S.C. 371, 26 U.S.C. 7206(1),
ANGELO DIGIORGIO	)	26 U.S.C. 5603(a)(1)
PETER GAUDESI	)	
JENNIE ALIOTO	)	
SUSAN BARTFIELD	)	

The GRAND JURY charges:

1. That beginning on or about June 15, 1967, and continuing thereafter to and including the date of the filing of this indictment, in the Eastern District of Wisconsin,

FRANK BALISTRIERI,
JOSEPH P. BALISTRIERI,
ANGELO DIGIORGIO,
PETER GAUDESI,
JENNIE ALIOTO, and
SUSAN BARTFIELD,

defendants herein, did unlawfully, wilfully and knowingly combine, conspire, confederate and agree together and with each other and with divers other persons whose names are to the Grand Jury unknown, to commit certain offenses against the United States, to wit:

(a) to aid and facilitate the concealment of the true ownership of the retail liquor business known as the King's IV, located

RECEIVED
NOV 11 1971
DCI - CIIC

OC-1-44

at 720 North Water Street, Milwaukee, Wisconsin, said business having a special tax imposed thereon by virtue of Title 26, United States Code, Section 5121(a), without the true owner registering his name or style, place of residence, trade and business, and place where such trade and business was being carried on as required by Title 26, United States Code, Section 7011(a), in violation of Title 26, United States Code, Section 5603(a)(1);

(b) to submit and file and cause to be submitted and filed United States Individual Income Tax Returns for 1969 and 1970 which were not true and correct as to every material matter, in that they claimed the respective taxpayer carried on the business known as the King's IV, whereas, the respective taxpayer did not carry on that business, in violation of Title 26, United States Code, Section 7206(1); and

(c) to submit and file and cause to be submitted and filed special tax returns, United STates Treasury Department Forms 11, for the periods beginning March 19, 1969, July, 1969 and July, 1970, which special tax returns were not true and correct as to every material matter, in that the respective taxpayer claimed he was the owner of the retail liquor establishment located at 720 North Water Street, Milwaukee, Wisconsin, whereas, the respective taxpayer was not the owner of the said business, in violation of Title 26, United STates Code, Section 7206(1).

2. That it was a further part of said conspiracy that the said Jennie Alioto would act as bookkeeper for said business.

3. That it was a further part of said conspiracy that the said Susan Bartfield would act as a manager and hostess of the said business.

4. That it was a further part of said conspiracy that the special tax returns for the said business on United States Treasury Department Form 11 for the period beginning on or about March 1, 1969, to and including on or about June 30, 1970, would be in the name of the said Angelo DiGiorgio.

5. That it was a further part of said conspiracy that the special tax return for the said business on United States Treasury Department Form 11 for the period beginning on or about July 1, 1970 to and including on or about June 30, 1971, would be in the name of the said Peter Gaudesi.

6. That it was a further part of said conspiracy that the said Joseph P. Balistrieri, owner of record of the building known as 720 North Water Street, Milwaukee, Wisconsin, would further aid in concealing the interest of the said Frank Balistrieri by falsely representing that Angelo DeGiorgio was the tenant of the premises known as 720 North Water Street, Milwaukee, Wisconsin.

7. That it was a further part of said conspiracy that Joseph P. Balistrieri, owner of record of the building known as

720 North Water Street, Milwaukee, Wisconsin, would further aid in concealing the interest of Frank Balistrieri by falsely representing that Peter Gaudesi was the tenant of the premises known as 720 North Water Street, Milwaukee, Wisconsin.

8. That it was a further part of said conspiracy that the said defendants would misrepresent, conceal and hide, and cause to be misrepresented, concealed and hidden the purpose of and the acts done in furtherance of the said conspiracy.

9. All of the acts of each and all of the defendants described in Count II through Count X, inclusive, of this indictment, the allegation of which counts are hereby realleged and incorporated herein by reference,, are hereby designated as overt acts done in furtherance of and to effect the objects of, the said conspiracy, and in addition thereto, and in furtherance of the aforesaid conspiracy and to accomplish its said purposes and objectives the defendants did and committed the following overt acts:

OVERT ACTS

1. On or about August 1, 1969, in Milwaukee, Wisconsin defendant Jennie Alioto filed with the Internal Revenue Service office a document signed by defendant Angelo DiGiorgio.

2. On or about August 26, 1969, in Milwaukee, Wisconsin defendant Susan Bartfield gave defendant Frank Balistrieri some money.

3. On or about October 31, 1969, at Milwaukee, Wisconsin defendant Joseph P. Ballatriori stated in a deposition that defendant Angelo DiGiorgio was the tenant of the premises known as 720 North Water Street, Milwaukee, Wisconsin.

4. On or about June 29, 1970, defendant Peter Gaudesi, signed his own name to a special tax return United States Treasury Department Form 11, for the premises known as the King's IV, 720 North Water Street, Milwaukee, Wisconsin.

All in violation of Title 18, United States Code, Section 371.

COUNT II

The GRAND JURY further alleges:

That on or about April 15, 1970, in the Eastern District of Wisconsin,

ANGELO DI GIORGIO,

defendant herein, did wilfully and knowingly make and subscribe a 1969 United States Individual Income Tax Return, which was verified by a written declaration that it was made under the penalties of perjury, which return was filed with the District Director of Internal Revenue for the Internal Revenue District of Milwaukee, at Milwaukee, Wisconsin, which return he did not believe to be true and correct as to every material matter, in that the defendant claimed in said 1969 Individual Income Tax Return, Schedule C, that he carried on the business of a supper club with the business name "King's IV"; whereas, he then and there well knew he did not carry on that business activity.

In violation of Title 26, United States Code, Section 7206(1).

COUNT XII

The GRAND JURY further alleges:

That on or about April 15, 1971, in the Eastern District of Wisconsin,

ANGELO DIGIORGIO,

defendant herein, did wilfully and knowingly make and subscribe a 1970 United States Individual Income Tax Return, which was verified by a written declaration that it was made under the penalties of perjury, which return was filed with the District Director of Internal Revenue for the Internal Revenue District of Milwaukee, at Milwaukee, Wisconsin, which return he did not believe to be true and correct as to every material matter, in that the defendant claimed in said 1970 Individual Income Tax Return, Schedule C, that he carried on the business of a supper club with the business name "King's IV"; whereas, he then and there well knew he did not carry on that business activity.

In violation of Title 26, United States Code, Section 7206(1).

COUNT IV

The GRAND JURY further alleges:

That on or about February 28, 1969, in the Eastern District of Wisconsin,

ANGELO DIGIORGIO,

defendant herein, did wilfully and knowingly make and subscribe a special tax return, United States Treasury Department Form 11, for the period beginning March 19, 1969, which was verified by a written declaration which was made under the penalties of perjury, which return was filed with the District Director of Internal Revenue, for the Internal Revenue District of Milwaukee, at Milwaukee, Wisconsin, which return he did not believe to be true and correct as to every material matter, in that the defendant claimed in said special tax return United States Treasury Department Form 11, that he was the owner of a retail liquor establishment located at 720 North Water Street, Milwaukee, Wisconsin; whereas, he then and there well knew that he was not the owner of said business.

In violation of Title 26, United States Code, Section 7206(1).

COUNT V

The GRAND JURY further charges:

That on or about August 1, 1969, in the Eastern District of Wisconsin,

ANGELO DAGIORGIO,

defendant herein, did wilfully and knowingly make and subscribe a special tax return, United States Treasury Department Form 11, for the period beginning July, 1969, which was verified by a written declaration that was made under penalties of perjury, which return was filed with the District Director of Internal Revenue for the Internal Revenue District of Milwaukee, at Milwaukee, Wisconsin, which return he did not believe to be true and correct as to every material matter, in that the defendant claimed in said special tax return, United States Treasury Department Form 11, that he was the owner of a retail liquor establishment located at 720-22 North Water Street, Milwaukee, Wisconsin; whereas, he then and there well knew he did not in fact own that business.

In violation of Title 26, United States Code, Section 7206(1).

COUNT VI

The GRAND JURY further alleges:

That on or about June 29, 1970, in the Eastern District of Wisconsin,

PETER GAUDESI,

defendant herein, did wilfully and knowingly make and subscribe a special tax return, United States Treasury Department Form 11, for the period beginning July, 1970, which was verified by written declaration that was made under the penalties of perjury, which returns was filed with the District Director of Internal Revenue for the Internal Revenue District of Milwaukee, at Milwaukee, Wisconsin, which return he did not believe to be true and correct as to every material matter, in that the defendant claimed in said special tax return, United States Treasury Department Form 11, that he was the owner of a retail liquor establishment known as the King's IV, located at 720 North Water Street, Milwaukee, Wisconsin; whereas he then and there well knew he did not own that business.

In violation of Title 26, United States Code, Section 7206(1).

COUNT VII

The GRAND JURY further alleges:

That on or about May 15, 1971, in the Eastern District of Wisconsin,

PETER GAUDESI,

defendant herein, did wilfully and knowingly make and subscribe a 1970 United States Individual Income Tax Return, which was verified by a written declaration that it was made under the penalties of perjury, which return was filed with the District Director of Internal Revenue for the Internal Revenue District of Milwaukee, at Milwaukee, Wisconsin, which return he did not believe to be true and correct as to every material matter, in that the defendant claimed in said 1970 Individual Income Tax Return, Schedule C, that he carried on the business of a supper club with the business name King's IV; whereas, he then and there well knew that he did not carry on that business activity.

In violation of Title 26, United States Code, Section 7206(1).

COUNT VIII

The GRAND JURY further alleges:

That during the period beginning on or about March 1, 1969, to and including on or about June 30, 1969, in the Eastern District of Wisconsin,

FRANK BALISTRIERI,

defendant herein, did, with intent to defraud the United States, engage in the operation of a retail liquor establishment upon which a special tax was imposed by virtue of Title 26, United States Code, Section 5121(a) and wilfully, knowingly, and intentionally failed to register with the Secretary his name or style, place of residence, trade or business, and the place where such trade or business was to be carried on as required by Title 26, United States Code, Section 7011(a).

In violation of Title 26, United States Code, Section 5603(a)(1).

COUNT X

The GRAND JURY further alleges:

That for the period beginning on or about July 1, 1970 to and including on or about June 30, 1971, in the Eastern District of Wisconsin,

FRANK BALISTRIERI,

defendant herein, did, with intent to defraud the United States, engage in a retail liquor business upon which a special tax was imposed by virtue of Title 26, United States Code, Section 5121(a), and wilfully, knowingly and intentionally failed to register with the Secretary, his name or style, place of residence, trade or business, and the place where such trade or business was to be carried on as required by Title 26, United States Code, Section 7011(a).

In violation of Title 26, United States Code, Section 5603(a)(1).

A TRUE BILL:

FOREMAN

UNITED STATES ATTORNEY

MRK:tg

COUNT IX

The GRAND JURY further alleges:

That during the period beginning on or about July 1, 1969, to and including on or about June 30, 1970, in the Eastern District of Wisconsin,

FRANK BALISTRIERI,

defendant herein, did, with intent to defraud the United States, engage in the operation of a retail liquor business upon which a special tax was imposed by virtue of Title 26, United States Code, Section 5121(a), and wilfully, knowingly and intentionally failed to register with the Secretary, his name or style, place of residence, trade or business, and the place where such trade or business was to be carried on as required by Title 26, United States Code, Section 7011 (a).

In violation of Title 26, United States Code, Section 5603(a)(1).

WISCONSIN DEPARTMENT OF JUSTICE
CRIMINAL DIVISION

US Jury Indicts Balistrieri, Son

11-9-71

By John G. Shaver
of The Journal Staff

Former Milwaukee nightclub operator Frank P. Balistrieri, his son, Atty. Joseph P., and four other persons were named in a 10 count criminal indictment handed down Tuesday by a federal grand jury here.

The indictment charged the six with conspiracy to conceal the true ownership of the King's IV, a night spot at 720 N. Water St. The indictment alleged that as part of the conspiracy, the younger Balistrieri covered up his father's interest in the night spot.

According to the indictment, the nightclub was listed falsely as operated by Angelo DiGiorgio, 34, of 1821 N. Marshall St., and later by Peter Gaudesi, 40, whose last known address was 3210 W. Wells St.

DiGiorgio and Gaudesi were named defendants in the indictment along with Miss Jennie Alioto, 45, a bookkeeper for enterprises linked to Balistrieri, and Miss Susan Bartfield, 31, identified as a Teamster Union employe here.

The indictment alleged that the conspiracy to conceal Frank Balistrieri's illegal ownership in the nightspot occurred from June, 1967, to the present. The indictment al-

Turn to Balistrieri, page 12, col. 4

Balistrieri

From page 1

leged that, as part of the conspiracy, the defendants made false statements on US Treasury Department forms required to be filed by retail liquor businesses.

The defendants also were accused of conspiring to file false income tax returns in connection with the operation of the King's IV in 1969 and 1970.

The indictment alleged that Miss Alioto kept books for the King's IV and that Miss Bartfield acted as a manager and hostess at the nightspot.

DiGiorgio was accused in two counts of falsely claiming on 1969 and 1970 income tax returns that he operated a supper club under the name of the King's IV when he did not.

Two other counts alleged that DiGiorgio filed false tax forms required for retail liquor establishments in connection with the King's IV for 1969 and 1970.

The counts alleged that DiGiorgio claimed to have been the owner of the nightspot when he was not.

A sixth count of the indictment accused Gaudesi of filing a false special Treasury Department tax form in 1970 claiming to be the owner of the King's IV when he was not. He was also accused of filing a false 1970 income tax return.

The remaining counts charged Frank Balistrieri with failing to file 1969, 1970 and 1971 special tax forms with the Treasury Department in connection with operation of the retail liquor business.

RECEIVED
NOV 16 1971

DCI		CIIC	

Comments:

Date: 11-9-71
Publication: Milwaukee Journal

	O.C.	NARC.	GEN.	SPEC.
Coordination:				
Submitting Unit:				
CIIC File #:				

OC-1-45

WISCONSIN DEPARTMENT OF JUSTICE
CRIMINAL DIVISION

Frank Balistrieri, 5 Others Indicted

Four associates of Frank P. Balistrieri, including his son Atty. Joseph P. Balistrieri, appeared before Federal Judge John W. Reynolds Tuesday following their indictment by a federal grand jury.

The 10 count indictment also named Frank Balistrieri, now serving a federal prison term, and another Balistrieri associate who, authorities said, could not be found Tuesday.

The indictment cites various charges including concealed ownership of the Kings IV nightclub, false federal tax statements and conspiracy.

Now in Prison

Frank Balistrieri, who was described in a Justice Department announcement Tuesday as "the alleged head of the organized crime family in Milwaukee," is serving the prison term for federal income tax evasion.

Those indicted were:

- Frank Balistrieri, 53, whose home address is 3043 N. Shepard Ave.
- Joseph P. Balistrieri, 31, an attorney and a court commissioner for Circuit Judge Hugh R. O'Connell. Balistrieri listed his address as that of his office, 211 W. Wisconsin Ave.
- Miss Jennie Alioto, 45, a bookkeeper, 2440 N. Dousman St.
- Angelo Di Giorgio, 34, who said he was unemployed, of 1821 N. Marshall St.
- Peter Gaudesi, 41, a tavernkeeper, of 7503 W. Stevenson St.
- Miss Susan Bartfield, 31, of 2035 N. Lake Dr., who was described in the indictment as former manager and hostess at Kings IV and a Teamsters Union employe since June.

US Atty. Gen. John N. Mitchell, in a statement released in Washington, said the indictment was the result of co-ordinated efforts of the federal Organized Crime Strike Force in Chicago.

Mitchell said that Wisconsin Atty. Gen. Robert W. Warren and the organized crime section of the State Department of Justice's Division of Criminal Investigation were involved in the investigation along with federal agents from Milwaukee and Chicago.

The federal agencies involved were the Treasury Department's Alcohol, Tobacco and Firearms Division and the Intelligence Division of the Internal Revenue Service.

Joseph Balistrieri, Miss Alioto, Di Giorgio and Gaudesi appeared before Reynolds after being arrested by Treasury agents.

All Released

They were released on their own $2,500 each signature bond. No date has been set for entering of pleas.

Miss Bartfield could not be located Tuesday, the federal agents said. Frank Balistrieri will be served with a copy of the indictment in the Federal Prison at Sandstone, Minn., where he is serving his sentence.

The government had asked that cash bond be set for the defendants. Citing other pend-

Turn to Page 9, Col. 1

RECEIVED
NOV 16 1971
DCI CIIC

Comments: _____

Date: 11
Publication:

	O.C.	NARC.	GEN.	SPEC.
Coordination:			✓	

Submitting Unit: OC-1-46
CIIC File #: OC-1

BALISTRIERI

Bank Loan Negotiations Described

Continued From Page 1

ing charges involving Di Giorgio, Atty Michael King of the Justice Department Organized Crime Strike Force in Chicago asked the court to set a bond of 10% of $10,000 for Di Giorgio.

King asked for a $2,500 cash bond for each of the others. Reynolds denied his requests.

At the appearance before Reynolds, Atty. Dominic H. Frinzi represented the four defendants.

Frinzi said the indictment was "an attempt to humiliate" Joseph Balistrieri and cause him embarrassment.

There was only one mention of Joseph Balistrieri in the entire 14 page indictment, Frinz said. He said the indictment "would stifle the good qualities performed for the community of a budding attorney."

Reynolds granted Joseph Balistrieri's request for permission to travel outside the jurisdition of the court.

Reasons Cited

Frinzi told the court that Balistrieri represented a company with offices in different parts of the country. He said it would be difficult to take a plane to Reno or Honolulu and be granted court permission to travel on a moment's notice.

Di Giorgio Miss Bartfield

All six of the defendants were charged with conspiracy.

The indictment described the conspiracy as concealing the true ownership of Kings IV, at 720 N. Water St.

According to the indictment:

- Joseph Balistrieri, owner of the building at 720 N. Water St., falsely represented that Di Giorgio and Gaudesi were tenants of the premises, thereby concealing the interest in the business of his father, Frank.
- Miss Alioto was bookkeeper for the business, and Miss Bartfield was manager and hostess.
- Frank Balistrieri operated Kings IV from March 1, 1969, to about June 30, 1971, and failed to register with the secretary of the treasury in connection with retail liquor taxes.
- Di Giorgio, in his 1969 and 1970 federal income tax returns, falsely claimed he operated Kings IV.

In a special tax return, Form 11, under the penalties of perjury, Di Giorgio falsely claimed he was the owner of Kings IV.

- Gaudesi also falsely claimed on a similar tax return that he was the owner of Kings IV.

Maximum penalty upon conviction of filing a false document to conceal ownership is five years in prison and a $10,000 fine.

Di Giorgio and Gaudesi were charged with six counts of filing false tax documents. Maximum penalty upon conviction is three years in prison and a $5,000 fine on each count.

Frank Balistrieri was charged with three counts of failing to register his business with the Treasury Department. If convicted, he would face a maximum penalty of five years in prison and a $10,000 fine on each count.

The penalty for conviction on conspiracy is five years in prison and a $10,000 fine.

Miss Jennie Alioto entered the Federal Building Tuesday followed by a government agent. She was among six persons indicted for conspiracy to conceal the true ownership of the Kings IV night spot.

Sentinel Photo

WISCONSIN DEPARTMENT OF JUSTICE
CRIMINAL DIVISION

US Says Balistrieri Will Appear Here

US Atty. David J. Cannon said Wednesday that Frank P. Balistrieri, now serving a federal prison term, would be brought here in about three weeks for arraignment in connection with an indictment Tuesday.

Balistrieri, his lawyer son, Joseph P., and four Balistrieri associates were indicted by a grand jury on charges of conspiracy to conceal the true ownership of a downtown nightclub.

The 10 count indictment accused the defendants of conspiring to file false income tax

Di Giorgio

Miss Bartfield

returns and special tax statements in the operation of the Kings IV, a night spot at 720 N. Water St.

Balistrieri, a 53 year old former nightclub operator, has been serving a year and a day sentence in Sandstone (Minn.) Federal Prison for income tax evasion.

Special Order

Cannon said a special court order would be required to bring Balistrieri here for arraignment and entering a plea to the indictment in Federal Court.

An attorney for Joseph Balistrieri, 31, charged at a Federal Court hearing Tuesday, hours after the indictment was returned, that the government was attempting to humiliate "a young budding attorney."

Atty. Dominic Frinzi made the remark at a bail hearing before Federal Judge John W. Reynolds for Balistrieri and three other defendants.

Frinzi contended that Balistrieri was a respected lawyer and that the government was trying to embarrass him. He claimed that, if Joseph Balistrieri's name was anything other than Balistrieri, he would not have been charged.

Others Named

Balistrieri was appointed a court commissioner last March by Milwaukee Circuit Judge Hugh R. O'Connell.

Also named in the indictment Tuesday were Miss Jennie Alioto, 45, of 2440 N. Dousman St., a bookkeeper for Balistrieri interests; Angelo Di Giorgio, 34, of 1821 N. Marshall St., who said he was unemployed; Peter Gaudesi, 41, of 7503 W. Stevenson St., a tavernkeeper, and Miss Susan Bartfield, 31, of 2035 N. Lake Dr., a Teamsters Union employe.

Miss Bartfield could not be located by federal officials Tuesday and was not present at the bail hearing. She surrendered Wednesday morning, the US Marshal's office said.

Michael H. King, an attorney with the Chicago office of

Turn to Hearing, page 11, col. 6

RECEIVED
NOV 16 1971

DCI		CIIC	

Comments: _____

Date:
Publication:

	O.C.	NARC.	GEN.	SPEC.
Coordination:				

Submitting Unit:
CIIC File #: DC-1

Hearing

US Wants Balistrieri Here

From page 1

the Justice Department's organized crime strike force, asked for $10,000 bail for Di Giorgio and $2,500 each for the other defendants. He said that the defendants could post 10% of the bonds.

King said that the higher bail for Di Giorgio was appropriate because he faced trial here on federal gambling charges.

Reynolds, however, allowed each defendant to post a $2,500 signature bond.

None of the defendants would comment on the indictment after signing their bonds.

The judge also permitted Joseph Balistrieri to travel outside of the court's jurisdiction in connection with his law business while the case is pending.

The maximum penalty faced by the six defendants, if convicted of conspiracy, is five years in prison and a $10,000 fine.

Frank Balistrieri also faces a possible five years in prison and $10,000 fine on each of three separate counts charging him with failing to register the operation of a retail liquor business with the Treasury Department.

Di Giorgio and Gaudesi, if convicted, could be sentenced to three years and a $5,000 fine on each count of filing false income tax returns and false special tax statements in connection with a retail liquor business.

The indictment resulted from an investigation spanning more than 1½ years by the Chicago office of the Treasury Department's Alcohol, Tobacco and Firearms Division.

He said that the investigation was co-ordinated by the organized crime strike force, aided by the Internal Revenue Service Intelligence Division and the Wisconsin Justice Department's organized crime section.

The six defendants, along with several other witnesses, appeared before the grand jury last July in a weeklong probe of concealed nightclub ownerships here involving Frank Balistrieri.

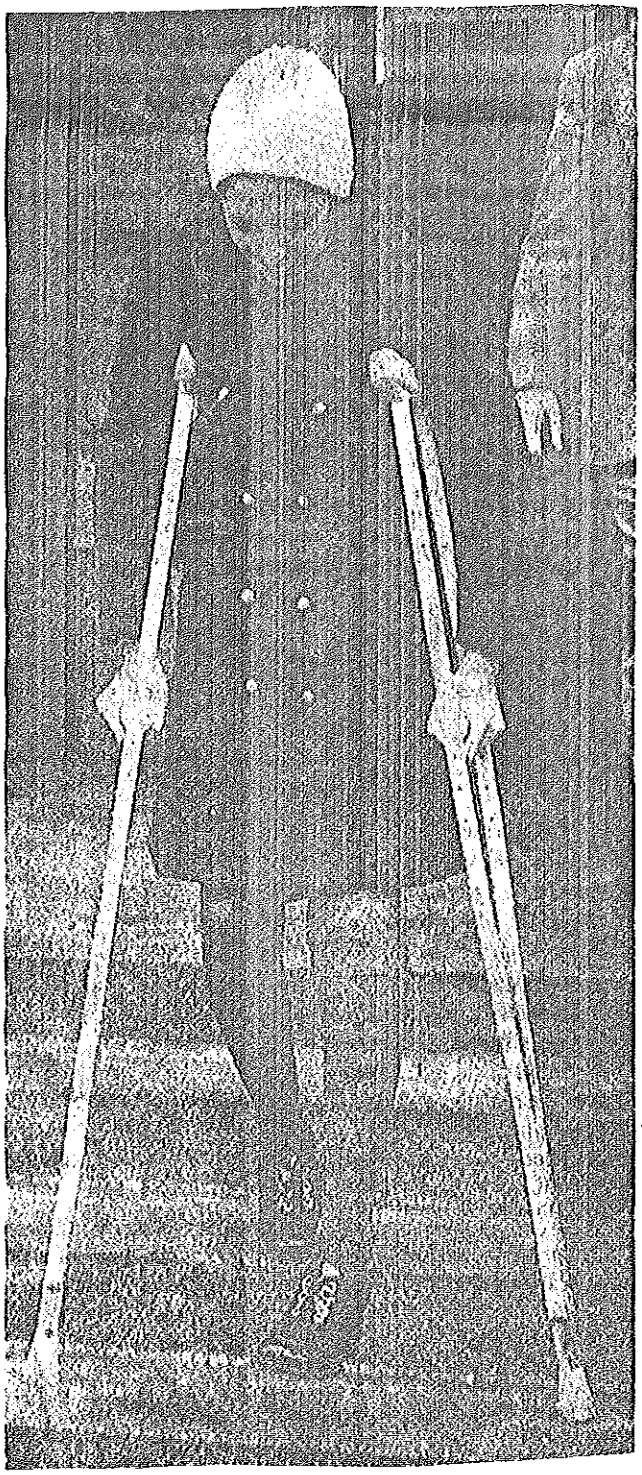
The government has accused Joseph Balistrieri in the past of frequently being "a cover to conceal his father's interest in various financial transactions."

—Journal Photo

Escorted into the Federal Building Tuesday where they were indicted on federal charges were (from left) Joseph P. Balistrieri, Peter Gaudesi and Miss Jeannie Alioto.

Atty. Joseph P. Balistrieri (center) covered his handcuffs with his coat Tuesday when he was escorted by federal agents. Balistrieri, his father, Frank P., and four others were indicted by a federal grand jury.

—Sentinel Photo by Allan Y. Scott



Miss Sue Bartfield left the Federal Building on crutches Wednesday, her left knee bandaged because of recent knee surgery. She was among six persons indicted by a federal grand jury Tuesday, but could not be located. She surrendered to authorities Wednesday.

—Sentinel Photo by George P. Koshollek

WISCONSIN DEPARTMENT OF JUSTICE
CRIMINAL DIVISION

Balistrieri Case Hearing Nov. 22

Frank P. Balistrieri and five of his associates who were indicted by a federal grand jury Tuesday will appear Nov. 22 in the court of Federal Judge John W. Reynolds to enter their pleas.

The six were named in a 10 count indictment that accused them of conspiracy to conceal the true ownership of the Kings IV, a downtown nightclub.

In addition to Balistrieri, who is serving a federal prison term, those indicted were:

- Balistrieri's son, Joseph P., 31, an attorney and a court commissioner for Circuit Judge Hugh R. O'Connell. The younger Balistrieri listed his address as that of his office, 211 W. Wisconsin Ave.
- Miss Jennie Alioto, 44, a bookkeeper, of 2440 N. Dousman St.
- Angelo Di Giorgio, 34, unemployed, of 1821 N. Marshall St.
- Peter Gaudesi, 41, a tavernkeeper, of 7503 W. Stevenson St.
- Miss Sue Bartfield, 31, of 2035 N. Lake Dr., who was described in the indictment as former manager and hostess at Kings IV and a Teamsters Union employe since June.

With the exceptions of the elder Balistrieri, who is serving a year and a day sentence for income tax evasion at Sandstone (Minn.) Federal Prison,

Indictments end years of probing; Page 12.

and Miss Bartfield, who surrendered at the US marshal's office Wednesday, the other four were arrested by Treasury agents Tuesday.

Freed by Reynolds

Miss Bartfield appeared in Reynold's court Wednesday and was released on her own $2,500 signature bond.

She was represented by Atty. Roland J. Steinle, who asked that she be allowed to visit a relative in Chicago who is very ill.

Reynolds granted the request, but cautioned Miss Bartfield that the penalty for jumping bail is five years in prison and a $10,000 fine.

Miss Bartfield was on crutches during the court appearance. She said that she recently had surgery to remove cartilage from her left knee.

Conspiracy Charged

The indictment charged Miss Bartfield only with conspiracy to conceal ownership of the nightclub.

Other charges in the indictment involved conspiracy to file false income tax returns and special tax statements in the operation of the night spot.

The penalty for conviction on conspiracy is five years in prison and a $10,000 fine.

US Atty. David J. Cannon said that the elder Balistrieri would be brought to Milwaukee from the prison for the court appearance Nov. 22.

RECEIVED
NOV 16 1971
DCI CIIC

Comments:

Date:
Publication:
Coordination: O.C. NARC. GEN. SPEC.
Submitting Unit:
CIIC File #: OC-1

OC-1-48

WISCONSIN DEPARTMENT OF JUSTICE
CRIMINAL DIVISION

Indictments End Years of Probing

The indictment this week of Frank P. Balistrieri and five of his associates marked the end of a long effort on the part of authorities to find a loose end that could be used to unravel the Milwaukee tavern operator's tangled affairs.

The indictment stabbed at the heart of Balistrieri's operations here — his alleged interests in a string of taverns that have opened and closed through the years.

For more than a decade, officials here have been concerned about the allegations that Balistrieri had financial interests in numerous taverns.

At times, his corporations, employes and business associates reportedly simultaneously held licenses for as many as seven taverns.

Ordinance Passed

In 1958, the concern about Balistrieri's tavern operations contributed to the passage of an ordinance prohibiting an individual from having an interest in more than two taverns.

Eleven years later, at the urging of Police Chief Harold A. Breier, the Common Council passed a stricter ordinance requiring corporations holding liquor and tavern licenses to list all their stockholders with the city clerk's office.

The indictment this week charged Balistrieri, 53, his son, Atty. Joseph P., and four associates with conspiracy to conceal the true ownership of the Kings IV, a downtown night spot.

1½ Year Probe

The charges came as a result of an investigation of more than 1½ years by the Chicago office of the Treasury Department's Alcohol, Tobacco and Firearms Division.

The probe was co-ordinated

BACKGROUND OF THE NEWS

by the Justice Department's Organized Crime Strike Force, with help from the Internal Revenue Service Intelligence Division and the Wisconsin Justice Department's Organized Crime Section.

Balistrieri is presently serving a year and a day sentence at Sandstone (Minn.) Federal Prison for income tax evasion.

Incarcerated in June

Balistrieri started serving a Balistrieri started serving the term on June 28.

He was convicted on March 23, 1967, in Federal District Court at Springfield, Ill. He was fined $10,000 and ordered to serve two concurrent two year prison terms.

On May 3, the US Supreme Court refused to hear Balistrieri's second appeal. His sentence was subsequently reduced by the court at Springfield.

Balistrieri has been identified on the floor of the US Senate by Sen. John McClellan (D-Ark.) as the head of one of the principal Mafia "families" in the country.

Findings in Report

In a 1970 report filed with the Federal Court in Los Angeles, Gerald F. Uelman, an assistant US attorney, said Balistrieri ". . . operates a string of six Milwaukee nightclubs, in most of which his interest is concealed by having the licenses held in the name of relatives and associates. . . ."

Uelman's report also said:

"Joseph Balistrieri is the 28 year old son of Frank Balistrieri, and has frequently been used as a 'cover' to conceal his

RECEIVED
NOV 16 1971

DCI		CIIC	

Comments:

Date:
Publication:

	O.C.	NARC.	GEN.	SPEC.
Coordination:				
Submitting Unit:				
CIIC File #:	OC-1			

OC-1-42

nancial transactions. For example, a joint account with Joseph was one of the devi(used by Balistrieri to con(his assets, as disclosed in his tax evasion trial."

Uelman's report also noted that Balistrieri and Frank H. Ranney, who was secretary-treasurer of Teamsters Local 200 here until his retirement last August, were known to be close associates.

The report said:

"In September of 1968, a Milwaukee bank was approached by Joseph Balistrieri for a loan of $125,000 to purchase a building in which a Milwaukee nightclub was located. After the loan was initially turned down, Frank H. Ranney contacted the bank and informed it a large deposit of Teamster union pension funds would be available if the bank, in turn, granted a loan to Frank Balistrieri through his son, Joseph.

Deposit Made

"On Sept. 10, 1968, the bank received a deposit of $500,000 cash from the Central States, Southeast and Southwest areas Pension Fund of the Teamsters Union, of which Ranney was a trustee. On the same day, a commercial loan of $125,000 to Joseph Balistrieri was granted by the bank. Two weeks later, an additional loan of $63,000 was approved . . ."

(Records in the register of deeds office showed a $63,000 mortgage and a $125,000 mortgage, both executed in September, 1968, between the bank and Atty. Joseph B. Balistrieri.

Sites Located

(The smaller mortgage is on the building at 744 N. 3rd St., in which the Brass Rail striptease lounge is located. The larger one is on the property at 720 N. Water St., which houses the Kings IV.)

Last November the four story building was sold by Balistrieri to First Federal Savings & Loan Association. The Kings IV continues to operate at the location.

Joseph Balistrieri has represented his father and family associates in various court actions. However, the son has said it is "totally untrue" that he has been a cover for some of his father's business transactions.

Shortly after the purchase of the Kings IV site by Joseph Balistrieri, the tavern license of the now defunct Le Bistro A-Go-Go, which had been located at 821 N. 3rd St., was transferred to the Water St. location.

Licensee Named

The license was in the name of Angelo D Giorgio, who had been described as the "manager" of Le Bistro when it opened in 1964.

Di Giorgio currently has gambling charges pending against him in both Circuit Court and Federal Court.

((December, 1969, Peter F. Balistrieri, brother of Frank P. Balistrieri, applied for the Kings IV liquor license. He was president of corporations which operate two other Balistrieri night spots—Gallagher's, 829 N. 3rd St., and the Scene, 624 N. 2nd St. Gallagher's has since been closed and torn down.

Peter Balistrieri said at the time that he would relinquish the Gallagher's license if his application for the Kings IV license were approved.

Preliminary OK

The request was given preliminary approval by the Common Council's License Committee, despite objections by Dist. Atty. E. Michael McCann and the existence of pending state charges against Peter Balistrieri and Bals, Inc., which operates the Scene. The charges involved permitting minors to loiter on the premises of the tavern.

However, when Peter Balistrieri refused service of a summons while at City Hall for the license hearing, and was subsequently charged with sales tax fraud, the license request was sent back to committee and never pursued.

On June 5, a Dane County jury found Peter Balistrieri guilty of eight counts of sales tax fraud. Also found guilty in the case were Bals, Inc.; Peter Balistrieri's son, Joseph; and Miss Jennie Alioto, a bookkeeper for the firm.

Taverns Seized

In June of 1970 the Internal Revenue Service seized the Kings IV, the Scene and two other Balistrieri taverns for alleged nonpayment of federal taxes. They all reopened within a few days after payment of delinquent taxes.

That month the Common Council approved Peter Gaudesi as the licensee for Kings IV, succeeding Di Giorgio.

Miss Alioto is a cousin of the wife of Frank P. Balistrieri. She was accused of conspiracy in Balistrieri's income tax evasion case, but was cleared.

During a court proceeding last summer in Madison, Miss Alioto said that she kept financial books for Balistrieri in his operation of the old Hotel Roosevelt; Club 26; Ben-Kay, Inc., which operates the Downtowner, 340 W. Wells St.; Milwaukee Tradewinds, Inc., which operated the Pub and Gallagher's; City Wide Amusement Co., and the Midwest Scrap Metal Co.

Miss Alioto has filed a $1 million lawsuit charging that federal agents in 1961 had bugged her former apartment at 1609 N. Prospect Ave. She had rented the apartment under the name of Loretta Fischer.

CASE ACTIVITY REPORT
DJ-DCI-25

WISCONSIN DEPARTMENT OF JUSTICE
Division of Criminal Investigation — Operations
123 W. Washington Ave.
Madison, Wisconsin 53703

Date: November 16, 1971

Case No.: OC-104

INVESTIGATORS: Assistant Director Herbert L. Krusche HK

SUBJECT OF INVESTIGATION: SALLY PAPIA

On a prior occasion while talking to SALLY PAPIA, A/D KRUSCHE commented that he would like to purchase a large wine jug that was put out for display purposes by the RUFFINO COMPANY located in Italy. SALLY had several of the jugs on her premises. SALLY advised that she would attempt to obtain one for A/D KRUSCHE.

At about 12:00 noon on November 1, 1971, SALLY called A/D KRUSCHE in the Milwaukee Office and that she had the jug in question. She said that she received it from her cousin, F[redacted] M[redacted] who works for [redacted] as a salesman.

A/D KRUSCHE went to SALLY'S STEAK HOUSE at about 5:22 p.m., November 1, 1971 and ate dinner. He remained on the premises until 8:10 p.m. A/D KRUSCHE wore the SK-8 transmitter and and S/A HAROLD ENGELBART transcribed the two hours and forty eight minutes that A/D KRUSCHE remained in SALLY'S STEAK HOUSE. S/A RICHARD ANDERSON positioned himself at the bar in SALLY'S STEAK HOUSE and kept A/D KRUSCHE under observation while he was talking with SALLY PAPIA.

SALLY advised that she was quite upset because she was being audited for the second time by the State Department of Revenue. She advised that the Revenue Agents were using her coat room and auditing her books for the past several weeks. SALLY asked A/D KRUSCHE if he had initiated the tax investigation against her and he advised that he had not. It appeared that SALLY did not believe A/D KRUSCHE in regard to being responsible for the tax audit. SALLY advised that the auditors were questioning her as to the amount of money that she received from her juke box and cigarette machine. She advised that she told the auditors that she received no commission from either machine. She said that she did not tell the auditors that her god-father FRANK BALISTRIERI actually owned the machines but that she did tell them that her friend C[redacted] D[redacted] owned them and she took no commission. SALLY said that C[redacted] D[redacted] was under audit also and that she had told him that he had better not state that he had given her a commission because he had not. A/D KRUSCHE attempted to obtain more information from SALLY as to FRANK BALISTRIERI'S ownership of the juke box group being operated by C[redacted] D[redacted] and also his involvement in the operation of cigarette machines supposedly owned and operated by PETER PICCIURRO. When SALLY got the feeling that

RECEIVED
NOV 22 1971
DCI CIIC

OC-1-50
OC-104-8

what she was saying was important to A/D KRUSCHE, she changed the subject. SALLY again stated that she would like to see the Justice Department make some kind of a case on the FAZIOS. She said that the FAZIOS, primarily LOUIE FAZIO, has been involved in commercial gambling activities for a long time. She said that LOUIE FAZIO has direct lines with gamblers in California. SALLY also said that H[redacted] M[redacted] is attempting to get the FAZIOS to set up a gambling operation in Hawaii at this time. A/D KRUSCHE asked SALLY if FRANK BALISTRIERI would be happy if the FAZIOS were arrested and she said that she did not think that BALISTRIERI would mind. She said that FRANK BALISTRIERI does not have any particular love for the FAZIOS because "they never clear what they're going to do with my god-father." When A/D KRUSCHE asked SALLY why the FAZIOS were suppose to clear their activities with her god-father, She smiled and stated, "you know, they're suppose to talk to FRANK before they make any decisions."

SALLY advised A/D KRUSCHE that she had the empty wine bottle that A/D KRUSCHE wanted. A/D KRUSCHE asked SALLY how much the bottle cost her and she advised nothing, that her cousin, F[redacted] M[redacted] obtained it. A/D KRUSCHE advised that he insisted on paying for the bottle and further stated that he would pick it up on another date because it was raining out on this evening.

The tape recording covering this conversation is being filed as OC-104-1A-1.

HLK:sv

WISCONSIN DEPARTMENT OF JUSTICE
CRIMINAL DIVISION

Balistrieri Here for Court Date

Frank P. Balistrieri has been brought to the Milwaukee area from the federal prison at Sandstone, Minn., for a court appearance Monday before Federal Judge John W. Reynolds.

Arraignment and entering of pleas is scheduled for Monday for Balistrieri and five others indicted last month by a federal grand jury on charges involving the Kings IV night club.

Balistrieri, who is confined at the Ozaukee County jail in Port Washington, conferred Friday in the US marshal's office in Milwaukee with his lawyer, Roland Steinle Jr.

The 53 year old Balistrieri has been at Sandstone since June 28, serving a year and a day sentence for federal income tax evasion. He is not expected to be released before April 17, 1972, according to authorities.

The November indictment cites various charges including concealed ownership of the Kings IV, false federal tax statements and conspiracy. The Kings IV is located at 720 N. Water St.

Indicted along with Balistrieri, whose home address is 3043 N. Shepard Ave., were his son, Atty. Joseph P. Balistrieri, 31; Miss Jennie Alioto, 45, of 2440 N. Dousman St.; Angelo Di Giorgio, 34, of 1821 N. Marshall St.; Peter Gaudesi, 41, of 7503 W. Stevenson St., and Miss Susan Bartfield; 31, of 2035 N. Lake Dr.

RECEIVED
DEC 8 1971
DCI CIIC

Comments:

Date: 12-4-71
Publication: Milwaukee Sentinel

	O.C.	NARC.	GEN.	SPEC.
Coordination:				
Submitting Unit:				
CIIC File #:	OC-1			

WISCONSIN DEPARTMENT OF JUSTICE
CRIMINAL DIVISION

Balistrieri Attorney Irate At Visitor Rule for Client

A disagreement over whom Frank P. Balistrieri can see while being held in jail touched off a noisy outburst Monday by Balistrieri's lawyer about an attorney for the US Justice Department.

After a bookkeeper was blocked from meeting with Balistrieri at the Ozaukee County Jail, Atty. Roland Steinle Jr. stormed into the US attorney's office here and vowed he would have Michael H. King disbarred.

Chicago Attorney

"He's a no good s.o.b.," Steinle shouted at US Atty. David Cannon.

"I'm going to have his license," Steinle continued. "I'm going to see that his —is hung from the highest tree in the county."

As Steinle shouted, assistant US attorneys and office clerks began popping out of rooms to find out what the shouting was about.

King, of Chicago is an attorney with the Justice Department's strike force on organized crime. e was in Milwaukee Monday to represent the government at federal court proceedings involving Balistrieri and five other defendants.

Steinle's outburst occurred after Miss Jennie Alioto, 2440 N. Dousman Ave., told Steinle that Ozaukee County Jail officials told her that she could not meet with Balistrieri, Monday afternoon.

Say Promise Broken

Miss Alioto, 45, has been identified as a bookeeper for Balistrieri and has been charged in a grand jury indictment with conspiring to conceal the true ownership of Kings IV, a nightclub at 720 N. Water St.

Steinle contended that King broke a promise to permit Balistrieri to see visitors at the jail.

At a conference with Judge John W. Reynolds that followed the flareup, King first said he opposed Miss Alioto's visiting with Balistrieri at the jail unless attorneys were present. However, he later modified his position and said he would have "no objections" if Miss Alioto saw Balistrieri without attorneys being present.

Since June, Balistrieri, a Milwaukee nightclub operator, has been serving a term of a year and a day at the federal prison in Sandstone, Minn., on a conviction for income tax evasion.

Before the outburst in the US attorney's office, Balistrieri appeared in federal court for arraignment on various charges contained in an indictment, including false preparation of tax returns and involvement in the alleged conspiracy to hide the true ownership of the Kings IV.

Delayed by Judge

However, Reynolds postponed Balistrieri's arraignment until 9 a.m. Wednesday after Steinle complained in court that he had not had a chance to meet with Balistrieri privately.

Steinle argued that when he attempted to consult with Balistrieri at Sandstone, he and his client were ushered into a room in which 50 other persons were present.

Steinle also said he believed his law office was being "electronically monitored," since he began working on the case.

After hearing King say the government would "strenuously oppose" granting Balistrieri a two or three day release from custody, Reynolds rejected a request by Steinle that his client be furloughed so he could meet freely with him.

Reynolds ordered that Balistrieri be held in the Ozaukee County Jail until the court proceedings Wednesday morning.

In addition to Miss Alioto, four persons entered pretrial pleas of not guilty to charges that they took part in the alleged conspiracy to hide the ownership of the Kings IV.

They were Atty. Joseph P. Balistrieri, 31, Frank's son; Miss Susan Bartfield, 32, of 2035 N. Lake Dr.; Angelo Di Giorgio, 34, of 1821 N. Marshall St., and Peter Gaudesi, 41, of 7503 W. Stevenson St.

RECEIVED
DEC 16 1971
DCI CIIC

Comments:

Date: 12-7-71
Publication: Milwaukee Sentinel

	O.C.	NARC.	GEN.	SPEC.
Coordination:				
Submitting Unit:				
CIIC File #:	OC-1			

cc: OC-4

OC-1-52

December 7, 1971

OC-104

Assistant Director Herbert L. Krusche and Special Agent Harold S. Engelbart

SALLY PAPIA - FRANK BALISTRIERI

Assistant Director KRUSCHE received a telephone call from SALLY PAPIA on December 2, 1971. SALLY advised that she had received several threatening phone calls and a threatening letter since a certain newspaper article appeared in the Milwaukee Sentinel on November 25, 1971. (OC-104-11) SALLY advised that the telephone calls were from several persons whom she did not know but who she believed were older men. SALLY said that on all occasions the men told her that she talked too much and that if she did not keep her mouth shut she would end up not being able to talk any more. SALLY also advised that she received a letter on about December 1, 1971, that she also considered to be a piece of a threat. SALLY agreed to give Assistant Director KRUSCHE copies of the letter that she received. Assistant Director KRUSCHE met with SALLY at SALLY'S STEAK HOUSE in the KAISER-KNICKERBOCKER HOTEL on December 2, 1971, between 2:10 p.m., and 3:15 p.m. In addition to the discussion about the phone calls and the threatening letter, SALLY advised Assistant Director KRUSCHE of the following interesting facts relating to FRANK BALISTRIERI and the FAZIOS.

SALLY said that several of the persons that are associated with FRANK BALISTRIERI have heard that she has been talking to Assistant Director KRUSCHE in her restaurant. She said that they have told her that she should put some rat poison in Assistant Director KRUSCHE'S food when she gets a chance. SALLY advised "I wouldn't think of giving you anything like that." SALLY said that FRANK BALISTRIERI was being held in the jail at Port Washington for his appearance on Monday, December 6, 1971, in federal court. She said that she had been thinking about going to see FRANK BALISTRIERI but that she received word that he does not want to talk to her and that he is mad at her because she has been talking to Assistant Director KRUSCHE. SALLY said that about a year and a half ago FRANK BALISTRIERI met in her restaurant with ANDREW LOCOCO from Hawthorne, California. She said that she overheard FRANK BALISTRIERI discussing the purchase of a tuna boat with ANDY LOCOCO.

SALLY said that the federal audit of her own income tax and books is continuing. She said that the federal auditors were specifically interested in a loan that she signed for FRANK BALISTRIERI and his wife, ANTONINA, two years ago, at the AMERICAN CITY BANK. SALLY said that many of the Italian men who are close to FRANK BALISTRIERI, are mad at her, because she made the statements to the newspaper. She said that she did not feel that she told the newspaper anything that should cause concern to FRANK BALISTRIERI or any other people. SALLY said that Attorney JOSEPH BALISTRIERI came into her restaurant

RECEIVED
DEC 16 1971
DCI CIIC

for the first time in several months, just after the article appeared in the Sentinel. She said that JOSEPH BALISTRIERI did not discuss the article and was cordial with her. SALLY said that on one occasion just before FRANK was sent to Sandstone Prison, he was in a violent argument with JOSEPH BALISTRIERI, in her office. She said that she stepped between FRANK and JOSEPH and was struck in the head by one of FRANK'S blows. SALLY said that JOSEPH has very little to do with his father and talks to him only when he has to.

In regard to gambling activity, SALLY advised that she is sure that FRANK BALISTRIERI "used to get his envelopes from the various gamblers who are operating in Milwaukee but that I do not think that he is getting them anymore." SALLY insists that the FAZIO brothers are large gamblers and operate commercial gambling activities out of their various restaurants. SALLY said that the "real bad guy in the FAZIO family is LOUIE FAZIO." SALLY said that a prominent Italian told her that LOUIE FAZIO was coming out of retirement and had his eye on taking over things in Milwaukee. SALLY said that when the FAZIO'S were operating the restaurant on 5th Street, across from the SCHROEDER HOTEL, they had five telephones in the basement that were being used for gambling purposes. She also advised that the FAZIO'S are very close to ANDY LOCOCO in Hawthorne, California and that they supposedly had "a direct line to LOCOCO."

Assistant Director KRUSCHE was covered by Special Agent HAROLD ENGELBART during this meeting and the conversation was tape recorded on the SK-8 and the tape is being retained as OC-104-1A-2.

HLK:ms
cc: OC-1

CONSIN DEPARTMENT OF JUSTICE
CRIMINAL DIVISION

Frank Balistrieri Pleads Not Guilty

Frank P. Balistrieri pleaded not guilty Wednesday to conspiracy and tax charges at an arraignment in Federal Court.

The 53 year old former Milwaukee nightclub operator and five other persons, including his son, Atty. Joseph P., are accused of conspiring to conceal Balistrieri's interest in a downtown Milwaukee nightclub.

The 10-count indictment charged that false income tax returns and special tax statements required for retail liquor businesses were filed to conceal Balistrieri's interest.

Balistrieri now is serving a one year term in Sandstone (Minn.) Federal Prison for income tax evasion.

Defense Atty. Roland J. Steinle Jr. told Federal Judge John W. Reynolds that an agreement had been reached with the United States attorney's office permitting Balistrieri to remain here until Dec. 20. Steinle said Balistrieri would remain here for consultation with his lawyers and other defendants to prepare for pretrial motions and trial.

Balistrieri is being held in the Ozaukee County Jail at Port Washington, where authorities said he would be kept until Dec. 20.

Steinle earlier this week protested that a government attorney had refused to permit another defendant, Miss Jennie Alioto, to confer with Balistrieri at the jail. Miss Alioto, now free on bond, is a bookkeeper for Balistrieri. She was later allowed to consult with Balistrieri.

Asst. US Atty. Joseph P. Stadtmueller said the government had no objection to Balistrieri remaining here until Dec. 20 to confer with lawyers and other defendants.

RECEIVED
DEC 16 1971

DCI			CIIC

Comments:

Date: 12-8-71
Publication: Milwaukee Journal

	O.C.	NARC.	GEN.	SPEC.
Coordination:				
Submitting Unit:				
CIIC File #:	OC-1			

OC-1-54

WISCONSIN DEPARTMENT OF JUSTICE
CRIMINAL DIVISION

Sentinel 12-31-71

No Weekend Balistrieri Move Slated

Frank P. Balistrieri will remain in the Ozaukee County Jail at Port Washington at least until Monday, the US marshal's office said Thursday.

No prisoners will be moved by the marshal's service over the holiday weekend, Robert Flaig, chief deputy marshal, said.

The 53 year old Balistrieri had been at the federal prison at Sandstone, Minn., since June 28, serving a year and a day sentence for federal income tax evasion.

He and five other persons have been indicted in connection with the alleged concealment of ownership of the Kings IV nightclub. Balistrieri was brought here earlier this month for arraignment and has remained to consult with his attorney and the other defendants in preparation for the trial.

RECEIVED

JAN 7 1972

DCI		CIIC	

Comments:

Date: December 31, 1971
Publication: Milwaukee Sentinel

	O.C.	NARC.	GEN.	SPEC.
Coordination:			✓	

Submitting Unit: Milwaukee Adm. Office

CIIC File #: OC - 1 - 55

WISCONSIN DEPARTMENT OF JUSTICE
CRIMINAL DIVISION

Balistrieri Returns to US Prison

Frank P. Balistrieri was returned Wednesday to the federal prison at Sandstone, Minn., after several weeks of confinement in the Ozaukee County Jail in Port Washington.

The US marshal's office here said Balistrieri, 53, was taken back to Sandstone to finish serving a year and a day sentence for federal income tax evasion.

Meanwhile, US Atty. David J. Cannon confirmed Wednesday that Balistrieri has hired the Washington (D. C.) law firm headed by Edward Bennett Williams to defend him against federal conspiracy charges.

Williams, a nationally known attorney and owner of the Washington Redskins professional football team, has had such clients as Teamster boss James Hoffa, former Senate aide Robert (Bobby) Baker, and gambler Frank Costello.

Balistrieri was held in the jail in Port Washington while he was arraigned here on a charge that he and five other persons conspired to conceal his interest in the ownership of the Kings IV nightclub, 720 N. Water St.

RECEIVED
JAN 11 1972
DCI CIIC

Comments:

Date: January 5, 1972
Publication: Milwaukee Sentinel

	O.C.	NARC.	GEN.	SPEC.
Coordination:			✓	

Submitting Unit: Milwaukee
CIIC File #: 00-11-56

WISCONSIN DEPARTMENT OF JUSTICE
CRIMINAL DIVISION

Balistrieri Hires Noted Law Firm

5

Frank P. Balistrieri has hired the Washington law firm headed by Edward Bennett Williams, a nationally known lawyer and owner of the Washington Redskins professional football team, to defend him against federal conspiracy charges.

Attorneys Stephen M. Umin and Stephen M. Porter of the Williams firm conferred for more than two hours with Balistrieri Tuesday in the Ozaukee County Jail.

Balistrieri, 53, had been in the federal prison at Sandstone, Minn., since June 28, serving a year and a day sentence after conviction on federal income tax evasion charges.

He was moved to the jail when he was returned here for arraignment on a charge of conspiracy with five other persons, including his son, Atty. Joseph Balistrieri, to conceal the father's interest in the ownership of the Kings IV night spot at 720 N. Water St.

US Atty. David Cannon confirmed that Balistrieri had retained the firm, saying he had been informed by a Williams spokesman that motions would be filed on behalf of Balistrieri shortly. Cannon said he wasn't told what motions would be presented.

Williams, who has handled cases for teamster James Hoffa, Robert (Bobby) Baker, former Senate aide, and gambler Frank Costello, is the second widely known lawyer who has helped the Balistrieri defense since Balistrieri became a target for state and federal justice department organized crime strike forces.

The other was Maurice K. Walsh, Chicago, who helped defend Anthony Accardo, syndicate crime boss in Chicago. The Williams firm helped Balistrieri once before, aiding in an unsuccessful appeal of the income tax conviction.

RECEIVED
JAN 11 1972
DCI CIIC

Comments:

Date: 1-5-72
Publication:

	O.C.	NARC.	GEN.	SPEC.
Coordination:			C	

Submitting Unit:
CIIC File #: 00-1-52

THIS FILE, AS OF JULY 1, 1971, IS A CONTINUATION

OF FILE # 12-19.

WISCONSIN DEPARTMENT OF JUSTICE
CRIMINAL DIVISION

Sentinel 1/8/72

Signatures Queried In Balistrieri Case

A banker testified Friday that he did not know if a real or fictitious person's name appeared on checks issued by a business Frank P. Balistrieri contends he operated.

Donald Shadid, a vice president of American City Bank & Trust Co., made the statement in a deposition taken here by Neil R. Peterson, an attorney with the US Justice Department in Washington.

Peterson has been subpenaing persons to give sworn statements and produce records while preparing a defense for a $1,750,000 damage suit Balistrieri has begun against federal agents and the Wisconsin Telephone Co.

Balistrieri, 53, a former Milwaukee nightclub operator, currently is serving a prison term of a year and a day on a conviction of evading payment of federal income taxes.

Balistrieri contends in his suit that federal agents used illegal bugging and spying activities against him.

Shadid produced records at the deposition proceeding showing that a checking account opened at the bank on July 14, 1963, was established in the name of a Continental Music Sales.

Balistrieri has contended in earlier court proceedings that he alone operated the business.

Peterson has said earlier that he had reasonable belief that there never was a Continental Music Sales operating and that it was a fictional firm Balistrieri invented to disguise his other activities.

Balistrieri has said in his suit that Continental Music Sales was one of those the federal agents illegally bugged.

On the card opening up the checking account of Continental Music Sales, the signatures "Jane Allen" and "James White" appeared.

The "Jane Allen" signature also appeared on five canceled checks Shadid produced, two of them for phone bills, two of them totaling $393.50 and payable to the "Belleview-Downer Building," apparently to cover rent and one for $1,075 to Pioneer Sales & Services, a vending machine firm at 3110 W. Fond du Lac Ave.

Under questioning by Peterson, Shadid said he did not know if Jane Allen or James White were real or fictitious persons.

RECEIVED
JAN 13 1972

DCI		CIIC	

Comments:

Date: January 8, 1972
Publication: Milwaukee Sentinel

	O.C.	NARC.	GEN.	SPEC.
Coordination:				

Submitting Unit: Milwaukee
CIIC File #: 00 - 1 - 58

SCONSIN DEPARTMENT OF JUSTICE
CRIMINAL DIVISION

US Asks Dismissal of Balistrieri Suit

The federal government contended Monday that a three year statute of limitations barred Frank P. Balistrieri and his bookkeeper, Miss Jennie Alioto, from proceeding with damage suits against federal agents.

Justice Department Atty. Neil R. Peterson asked that the Federal Court dismiss the suits brought by Balistrieri and Miss Alioto in 1969.

The suits seek $2.75 million damages for what was alleged to be illegal electronic eavesdropping by FBI agents at a former Balistrieri business place and Miss Alioto's former apartment.

The government has admitted that it installed electronic monitoring devices at Continental Music Sales, 2559-2561 N. Downer Ave., and in Miss Alioto's apartment at 1809 N. Prospect Ave. in the early 1960s.

Peterson also argued that the suits should be dismissed because the federal agents acted in official capacity under orders of a superior and were immune from private lawsuits.

Peterson further contended that Balistrieri and Miss Alioto had "slept on their rights" since they knew of the eavesdropping devices a year or more before the government admitted the eavesdropping during Balistrieri's 1966 income tax evasion trial. He said that because the lawsuits were not filed in time, they should be dismissed.

Peterson argued that neither Balistrieri nor Miss Alioto suffered injuries for which damages could be awarded. He said that Balistrieri had not claimed loss of income, business or damage to his reputation.

While Miss Alioto seeks damages for shame and humiliation, Peterson said, she "cannot remember a single person before whom she . . . felt ashamed and humiliated."

Monday's motions to dismiss were filed on behalf of federal agents. Also named defendants in the suits were the Wisconsin Telephone Co. and employes.

Balistrieri, a former Milwaukee night club operator, now is serving a one year term in Sandstone (Minn.) federal prison for income tax evasion.

RECEIVED

JAN 13 1972

DCI	-	CIIC	

Date: 1-11-72
Publication: Milw. Journal

	O.C.	NARC.	GEN.	SPEC
Coordination:				
Submitting Unit: Milw.				
CIIC File #:	OC	1	57	

Comments:

CASE ACTIVITY REPORT
DJ-DCI-25

WISCONSIN DEPARTMENT OF JUSTICE
Division of Criminal Investigation — Operations
123 W. Washington Ave.
Madison, Wisconsin 53703

Date: 1-13-72

Case No.: OC-1

INVESTIGATORS: Assistant Director - Herbert L. Krusche HK

SUBJECT OF INVESTIGATION: FRANK BALISTRIERI - Purchase of SHORECREST HOTEL

OCI 3 provided the attached information. OCI 3 does not know how accurate the information is, but thought we might want to check some of these statements out.

Leads: S/As YOUNK and SUHR to interview A[redacted] B[redacted], [redacted], to see what FRANK BALISTRIERI had to do with the purchase, terms, including purchase price, and down payment.

HLK:sk
CC: OC-6

RECEIVED

JAN 26 1972

DCI	CIIC
OC-1-60	

December 16, 1971

A source says that this is the background of the sale of the Shorecrest Hotel to Joseph Balistrieri:

A[redacted] B[redacted], [redacted], the owner, got into trouble last spring, in a room upstairs above the Kings IV. There was a woman, perhaps a prostitute, involved, and there was a fight.

Subsequently, B[redacted] was driving his car near his home in Mequon and he was forced off the road by a member of the Balistrieri family, who told him at that time that they wanted his hotel.

Two years previously, B[redacted] had asked $2,850,000 for the hotel. He had reduced the price seeking a buyer. The price to Balistrieri was $1,100,000. Calhoun got $7,500 and the agent of record got $7,500.

Balistrieri paid $100,000 down and the balance was a loan from First Federal which was OK'd by Robt. Brown of First Federal; the approval was dated Dec. 10. First Federal would only lend $500,000 but muscle was applied and the amount was increased.

B[redacted] was overheard telling his attorney, Jack Lichtsinn (Harold Lichtsinn?) that "this means more to me than my life."

Frank Balistrieri masterminded the whole deal, partly while he was here for a grand jury appearance.

A woman who formerly lived at the Shorecrest may be involved in some way. The belief is that she is a friend or relative of the Bals and that B[redacted] did her wrong and that they took the hotel away from him as reparations.

B[redacted] inherited the hotel from his father, A[redacted] He has a brother J[redacted] and a sister who may have been part owners. Source believes they may live in Chicago where they own an office building, believe it's the Pure Oil Bldg.

HLS.

CASE ACTIVITY REPORT
DJ-DCI-25

WISCONSIN DEPARTMENT OF JUSTICE
Division of Criminal Investigation — Operations
123 W. Washington Ave.
Madison, Wisconsin 53703

Date: 1-13-72

OC-1 No.:

INVESTIGATORS: Assistant Director - Herbert L. Krusche

SUBJECT OF INVESTIGATION: FRANK P. BALISTRIERI and Attorney JOSEPH BALISTRIERI
Re: Federal Tax Case regarding KINGS IV

Special U.S. Attorney MICHAEL H. KING advised that FRANK BALISTRERI'S attorneys have asked for any information relative to wire taps, applied either by the Federal Government, or by the State, in the KINGS IV case. King said he would be sending a letter to our agency asking if we had any buys or taps on any of the principals in this case. I advised KING that we never used a buy or a tap on any of the subjects in this case.

HLK:sk
cc: OC-6

RECEIVED
JAN 26 1972

DCI		CIIC

CASE ACTIVITY REPORT
DJ-DCI-25

WISCONSIN DEPARTMENT OF JUSTICE
Division of Criminal Investigation — Operations
123 W. Washington Ave.
Madison, Wisconsin 53703

Date: 1-13-72

Case No.: OC-1

INVESTIGATORS: Assistant Director - Herbert L. Krusche

SUBJECT OF INVESTIGATION: SALLY PAPIA

Assistant Director HERBERT L. KRUSCHE called SALLY PAPIA at St. Michael's Hospital by phone. She advised that she had minor surgery and would be out of the hospital next week. She said that she decided not to sell her restaraunt so she would be around for a while. SALLY advised that she could not get in to see FRANK BALISTRIERI while he was being held in Ozaukee County Jail. She said that Attorney JOSEPH P. BALISTREIRI went to Washington to hire E. BENNETT WILLIAMS to defend FRANK himself, in the case Re: THE KINGS IV. SALLY advised that FRANK BUCCIERI had been to see her, in the hospital, on two occasions.

HLK:sk
cc: OC-6

RECEIVED
JAN 26 1972
DCI CIIC

WISCONSIN DEPARTMENT OF JUSTICE
CRIMINAL DIVISION

Balistrieri Suit Dismissal Sought Again

The government Tuesday again asked the federal court to dismiss the damage suit started by Frank P. Balistrieri against federal agents and the Wisconsin Telephone Co.

Balistrieri, a Milwaukee nightclub operator now serving a prison term for federal income tax evasion, is seeking $1.75 million in damages for alleged illegal eavesdropping.

Atty. Neil R. Peterson, of the US Justice Department, Washington, D. C., said in the motion for dismissal that Balistrieri's attorneys had failed to file legal documents when they were due on Dec. 22 and 27.

Peterson, representing FBI agents, said the documents were to be used in an effort to continue clarification of the claims and issues in the case and as support for the motion to dismiss or for summary judgment.

Peterson previously had sought dismissal on the ground that the agents named were immune from being sued for acts committed in pursuance of their official duties.

RECEIVED
JAN 26 1972

DCI			CIIC

Comments:

Date: January 19, 1972
Publication: Milwaukee Sentinel

	O.C.	NARC.	GEN.	SPEC.
Coordination:				

Submitting Unit: Milwaukee Office

File: ~~12-19~~ OC-1

5

Details

On October 28, 1970, Special Agents WALTER A. YOUNK and ALFRED F. SUHR reviewed toll information regarding SUE BARTFIELD at the WISCONSIN TELEPHONE COMPANY Security Office, 722 North Broadway, Milwaukee, Wisconsin, and the following information was extracted from files furnished by MISS MARCELIA SCHULTE.

Billed to:

SUE BARTFIELD
[redacted], Apartment [redacted]
Milwaukee, Wisconsin
Telephone: [redacted]

Date	Number Called	
MAY		
5-09-70	Madison	[redacted]
5-17-70	Chicago	
5-19-70	Racine	
JUNE		
6-05-70	Madison	[redacted]
6-22-70	Racine	
JULY		
None		
AUGUST		
8-02-70	Chicago	[redacted]
SEPTEMBER		
9-13-70	New York	[redacted]
9-14-70	Chicago	
9-24-70	Palmyra	
9-24-70	Madison	
9-25-70	Palmyra	

MAR 10 1972

DCI CIIC

There were two calls to Madison number [redacted]. This number is listed to S[redacted] B[redacted], [redacted], Madison. (Number disconnected in June, 1970.)

There were two calls to Racine number [redacted]. This number is listed to M[redacted] [redacted] J[redacted], [redacted], Racine.

There were two calls to Palmyra number [redacted]. This number is listed to G[redacted] [redacted] H[redacted], Trailer Lot [redacted], Blue Spring Lake, Palmyra.

There was one call to Madison number [redacted]. This number is listed to S[redacted] B[redacted], [redacted], Madison. (Number disconnected in October, 1970.)

RECEIVED

OC-1

File: ~~12-19~~

5

DETAILS:

On April 26, 1971, S/A YOUNK examined the 1969 Wisconsin Individual Income Tax return of [redacted] and extracted the following:

Name: [redacted]
Address:
SSN:
Occupation:

Employer	Income
[redacted]	

RECEIVED
MAR 9 1972
CRIMINAL INVESTIGATION DIVISION

RERECEIVED
MAR 10 1972

CI	DCI		CIIC	CC

OC-1-66 cc

POLICE DEPARTMENT · · · CITY OF BALTIMORE

FALLSWAY and FAYETTE STREET BALTIMORE, MARYLAND 21202

Mulberry 5 - 1600 Area Code 301

DONALD D. POMERLEAU
Commissioner

RALPH G. MURDY
Administrative Bureau

FRANK J. BATTAGLIA
Operations Bureau

THOMAS J. KEYES
Services Bureau

Deputy Commissioners

March 2, 1972

Wisconsin Department of Justice
Room 814, State Office Building
819 N. 6th Street
Milwaukee, Wisconsin - 53203

RECEIVED
S. E. District
MAR 06 1972

Attention: Special Agent Alfred F. Suhr

Dear Sir:

Pursuant to our continuing program of updating our organized crime organizational charts and files, we would like to request one copy of the current La Cosa Nostra (LCN)/ Mafia organizational chart for your area. Hopefully this will include a complete profile of the LCN hierarchy from the Boss through the Soldiers and including non-LCN criminal associates as well as photographs of the principals. In the event that you do not have such a chart prepared for distribution, any information on the LCN organization, LCN personalities involved and their non-LCN criminal associates will be of assistance. Although your particular area of jurisdiction is of primary concern in this instance, any information that you may be able to include on the national organized crime problem will be sincerely appreciated.

Thanking you in advance and assuring you of our desire to be of assistance in all matters of mutual interest, I remain

Very truly yours,

Bernard F. Norton

Major Bernard F. Norton
Director
Inspectional Services Division

RECEIVED
MAR 10 1972
CIIC

FCH/dlm

DC-1-67

cc

March 7, 1972

Re: OC-1

Police Department
City of Baltimore
Fallsway and Fayette Street
Baltimore, Maryland 21202

Attention: Major Bernard F. Norton, Director, Inspectional Services Division

Dear Sir:

In response to your inquiry of March 2, 1972, the attached summaries on key Wisconsin organized crime figures are submitted.

It is pointed out that Milwaukee does not have the LCN organization typical of other large cities. Frank P. Balistrieri, although conceded to be "number one" locally, has operated within the shadow of the Chicago organization and has taken his direction from that group. Significantly, no known local replacement was named when Frank entered Federal prison in June, 1971. In Frank's absence, his remaining business enterprises, never too profitable, have continued their downward trend. His son, Attorney Joseph P. Balistrieri, is known to have made business decisions contrary to Frank's policy during the father's incarceration.

It is further pointed out that, among Frank Balistrieri's associates, intelligence information indicates that some are "family" members, but there is no hard evidence to support membership and consequently this report cannot form the basis of a Milwaukee "family chart."

It is hoped that the attached information is of value, and please be assured of our continued cooperation in all matters of mutual interest.

Sincerely,

FRANK A. MEYERS
Director of Operations

RECEIVED

HERBERT L. KRUSCHE
Assistant Director of Operations

MAR 10 1972

WAY:ms

DCI			CIIC

Frank Peter Balistrieri
a/k/a: Frankie Bell, Fred Blankstein
Born: [redacted], in Milwaukee, Wisconsin
Residence: [redacted], Milwaukee, Wisconsin
W/M, 5'8", 150 lbs., dark brown hair, brown eyes.
SSN: [redacted]
FBI number: [redacted]
Spouse: Antonina B. (nee: Alioto)

Frank Balistrieri has been identified in the United States Senate as head of the Wisconsin Mafia; he was similarly identified in a subsequent "Life" magazine article. Although certain local Italians deny the very existence of a Mafia or La Cosa Nostra, significantly Balistrieri did not bring suit against the magazine.

Balistrieri was convicted of income tax evasion and tax fraud conspiracy in Federal Court, Springfield, Illinois, in March, 1967. He was sentenced to two years in Federal prison and fined $10,000. Through legal maneuvers and appeals he remained out of jail until June of 1971 when he finally entered Federal prison at Sandstone, Minnesota, to serve a reduced term of one year. This is Balistrieri's only criminal conviction.

Through relatives or friends, Balistrieri has run a string of up to seven night clubs in Milwaukee. The current number is five, one of which is closed most of the time, and another of which was recently sold at a huge profit.

Although Balistrieri's name does not appear on the license or corporation papers of these clubs, he meets with the operators nightly to collect the day's receipts. Two buildings housing the nightclubs are owned by Frank's son; a third tavern is run by Frank's brother, and the remaining two are operated by long time associates. One of the latter, Ben-Kay, Inc., d/b/a Downtowner, continued to show compensation paid to Frank as corporation president, despite the fact he was dropped from the corporate structure following his tax conviction in 1967. Frank's tax returns for 1969 show $10,400 salary from Ben-Kay as his only income.

Balistrieri's closest associates include well known gamblers, union officials (Teamsters' Union), and persons engaged in such businesses as juke boxes, vending machines, and metal scrap. These persons are included in this report.

Peter Frank Balistrieri (brother of Frank P. Balistrieri)
Born: [redacted]
Residence: 1634 North Jackson Street, Milwaukee, Wisconsin
W/M, 5'11", 190 lbs., brown hair, brown eyes
Spouse: M[redacted] (nee: Balistrieri)

According to reliable information, Peter is a member of the local "family." Investigation by this Division has revealed only that he likes to gamble and that he has run several of the Balistrieri nightclubs, not always to brother Frank's satisfaction. Currently, Peter holds the license for The Scene, a night spot that has received considerable attention from this Division and which has been closed for more than a year.

Peter Balistrieri has Milwaukee Police Department number 45854. Recently, he was convicted of sales tax fraud in a court action involving The Scene. Also convicted in this case were his son, Joseph P. Balistrieri, born [redacted], and Jennie Alioto, bookkeeper for all the Balistrieri businesses. Peter Balistrieri has no other criminal record.

Aside from gambling, Peter's mode of life would be described as austere. He lives in an old house owned by his parents, located in what remains of Milwaukee's "Italian district."

Joseph P. Balistrieri (son of Frank P. Balistrieri)
Born: [redacted], in Milwaukee, Wisconsin
Residence: 3043 North Shepard Street, Milwaukee, Wisconsin (parents' home), and [redacted], Apartment [redacted], Milwaukee, Wisconsin.
W/M, 5'10", 170 lbs., dark brown hair, brown eyes.
Occupation: Attorney; graduated 1966 from University of Wisconsin.
No criminal record.

After graduation, Joseph Balistrieri briefly practiced law with D[redacted] F[redacted], well-known local criminal attorney who has represented Frank Balistrieri and other Milwaukee crime figures, as well as many local gamblers, prostitutes and similar types.

Since about 1967, Joseph Balistrieri has occupied a plush office-suite in a prestige location in downtown Milwaukee. Much of his time during the last few years has been occupied in representing his father's tavern interests in actions brought by the State of Wisconsin.

In 1967, Attorney Balistrieri purchased a building in the heart of Milwaukee's financial district for $80,000.00. Loans for purchase and remodeling were obtained from a local bank through the efforts of Frank Ranney, a Teamsters Union official, who reportedly pledged large deposits of Teamsters pension funds as incentive to the bank. The building was converted into a plush nightclub and restaurant named the Kings IV and was sold in November, 1970, for $600,000.00 to a savings and loan association. In addition to the huge profit

from the sale price, "income" was derived through default on work contracts, purchase orders and other services related to the remodeling. Many employees went unpaid for weeks or months; some quit without ever having been paid. Initially, this place was fronted by a local gambler who was arrested for booking and was replaced as licensee by Peter Gaudesi, who has no record and is not known to otherwise be involved in crime activities. The Kings IV closed down officially in February, 1972.

In 1968, Joseph Balistrieri also purchased the building holding the Brass Rail, an old strip joint in downtown Milwaukee, and in which his father long was suspected of having an interest. This place is licensed to Rudolph Porchetta, born [redacted], who has fronted several other Balistrieri places, but who has no criminal record. Mortgage money for this purchase ($63,000.00) was supplied by the same bank that mortgaged the Kings IV and was part of the same agreement with the Teamsters Union.

Ownership of these two buildings has provided large tax write-offs for Attorney Balistrieri and as a consequence he shows negligible taxable income. His mode of living is not consistent with his net income, and as a consequence his tax file is being audited by the Wisconsin Department of Revenue. He is known to have made several trips to Nevada and to Puerto Rico.

Joseph Caminiti Sr.
W/M, born [redacted], Menomonee Falls, Wisconsin

Official in Local 257 of Teamsters Union in Milwaukee, and close associate of Frank Balistrieri.

Frank H. Ranney
W/M, born [redacted].
Home of record in Egg Harbor, Wisconsin, but spends much time in Milwaukee where he stays at various hotels.

Top Teamster Union official in Wisconsin, and an official of the Teamsters' International Union until he retired in August, 1971, for reasons of health. In latter capacity, he traveled throughout the country. Former business associate and long time personal friend of both Frank Balistrieri and his father. Gave testimony to help cover up Frank's true net worth during Federal tax case in Springfield, Illinois, in 1967. In 1968, he was instrumental in obtaining loans of about $190,000.00 from the Continental Bank & Trust Company, Milwaukee, by promising H[redacted] M[redacted], then bank president, large deposits of union funds. Several days later, Ranney deposited $500,000.00 in Teamster pension funds with M[redacted] and

said, "Maybe now you will make the loans to my friends, the Balistrieris." Soon after, the loans were made to Joseph Balistrieri, Frank's son.

Steve John DeSalvo (a/k/a: DiSalvo)
W/M, born [redacted], Milwaukee, Wisconsin

Reportedly a "family" member, but again there is no positive proof. Was known as Frank Balistrieri's muscle man years ago, but it is doubtful this title is appropriate today. He is a gambler, as are most of his acquaintances. For several years, he has been associated with the Greenfield Development Corporation, Milwaukee, operated by a H[redacted] S[redacted], W/M, born [redacted], also a heavy gambler. Greenfield is known to have developed several large shopping centers, but it also is known to have had serious financial problems. In 1969, DeSalvo reportedly invested in a Greenfield shopping center project in Mundelein, Illinois, and it was known at that time that the FBI was interested in the matter. Since the project was completed in late 1969, DeSalvo has had limited, if any, contact with Sosnay and Greenfield Development.

With the exception of a current return on his Mundelein "investment", DeSalvo has no visible means of support and it is concluded he continues to derive an income from gambling and booking. For several months in 1971, he was closely associated with G[redacted] O[redacted] (FBI [redacted]), who has a long criminal record from coast to coast and who was the biggest importer and dealer in pornography in Wisconsin.

DeSalvo was one of several suspects in the 1963 murder of Anthony Biernat, a Kenosha, Wisconsin, juke box operator who resisted the take-over of his business by a group of Italians. The murder has never been solved.

C[redacted] D[redacted]
W/M, born [redacted], Milwaukee, Wisconsin

Operates C[redacted] D[redacted] Amusement Company, Milwaukee, dealing in phonograph and amusement machines. Machines are placed in all nightclubs and taverns connected with Frank Balistrieri, as well as in places operated by most persons of interest to law enforcement. Investigation indicates Frank Balistrieri has a direct, or possibly even a controlling, interest in D[redacted] Amusement.

Jennie M. Alioto
W/F, born [redacted]
1634 North Jackson Street, Milwaukee, Wisconsin

Officially, Jennie is the bookkeeper for all five Balistrieri nightclubs, as well as for C[redacted] D[redacted]'s Amusement Company. She has an office and apartment in the home of Peter Balistrieri, Frank's brother, although until recently she used the address of her mother as her legal residence.

A first cousin of Frank Balistrieri's wife, Jennie, for many years, was conceded to be Frank's paramour. Although there has been no change in her official capacity, she was replaced in Frank's personal life several years ago, by Sue Bartfield, his new "girl Friday." Bartfield, W/F, born [redacted], lives at [redacted], Apartment [redacted], Milwaukee, Wisconsin.

Examination of documents introduced in Frank's Federal tax trial showed that Jennie forged certain signatures to cover up Frank's income. She was charged as co-conspirator in the case, but was never prosecuted.

Recently, Jennie was convicted in two separate sales tax fraud actions involving two Balistrieri taverns. She currently is on probation.

Next to Frank Balistrieri himself, Jennie probably knows the most about inner workings of the Balistrieri enterprises, legal and otherwise.

F[redacted] S[redacted], a/k/a F[redacted] S[redacted]
W/M, born [redacted], West Allis, Wisconsin
FBI # 1258566

In his younger days, S[redacted] was the prototype of the typical "hood"; he has served many years for robbery, burglary and assault, and was a suspect in the Anthony Biernat murder case. He is a long time associate of Frank Balistrieri and most other Italians mentioned in this report. Since his last discharge from prison in December, 1962, he has worked as a swamper in Balistrieri's downtown taverns. He is not believed to have any assignment of responsibility.

August Joseph Maniaci
W/M, born [redacted], Milwaukee, Wisconsin

Has been involved in questionable business ventures with Frank Balistrieri, Frank Ranney and other persons of interest to law enforcement. Maniaci and others operating an aluminum siding business were arrested in 1961 on charges of forgery (mortgage fraud), but the case against Maniaci was dismissed. He also has

been investigated in connection with stolen property, and he was a suspect in the gangland murder of Jack Enea in about 1960.

H[redacted] K[redacted]
W/M, born [redacted], Brookfield, Wisconsin

Operates K[redacted] Industrial Salvage Company and Machinery Exchange Company, in Milwaukee, and is strongly suspected of fencing stolen merchandise. He was arrested once on this charge, but not convicted. His known associates, besides Frank Balistrieri and local hoodlums, include other fences throughout the midwest.

Joseph Frank Enea
W/M, born [redacted], Milwaukee, Wisconsin
SSN: [redacted]

Holds current liquor license for the Ad Lib, a Balistrieri nightclub, as sole proprietor, although it is a well known fact he serves merely as bartender. Until the 1970-71 license period, the Ad Lib operated as a corporation, but switched to a sole ownership status to circumvent various civil actions brought by the State involving licensing, liquor and tax regulations. Enea would be classified as a petty hoodlum type; he recently was convicted of a battery charge for hitting persons whose testimony he tried clumsily and unsuccessfully to influence.

Enea has managed two other Balistrieri night spots, both of which have closed in recent years. He has worked for Frank Balistrieri for many years, but his efforts have always not been to Frank's satisfaction.

J[redacted] [redacted]R[redacted]
W/M, born [redacted], Racine, Wisconsin

Well known gambler and game operator in Racine, Kenosha, and Milwaukee areas. Long time associate of Frank Balistrieri and from 1967 to the end of 1969 he worked as doorman at The Scene, a Milwaukee night spot operated by Frank's brother, Peter F. Balistrieri. His current activities are unknown.

W[redacted] [redacted] [redacted]
W/M, born [redacted], Kenosha, Wisconsin

Gambler, suspect in 1963 Biernat murder case, and former juke box

operator. Has worked in Balistrieri night clubs as doorman and bouncer. Currently operates a cheese store near Kenosha. Convicted of perjury as result of his testimony regarding Biernat slaying.

A[redacted] A[redacted] M[redacted], a/k/a T[redacted] P[redacted]; A[redacted] M[redacted]
W/M, born [redacted], Milwaukee, Wisconsin

Convicted gambler and long time associate of Frank Balistrieri and other organized crime individuals. M[redacted] was one of six Milwaukee men indicted by a Federal Grand Jury in December, 1970, on charges of violating Federal gambling and conspiracy laws. Also indicted were his brother, T[redacted] M[redacted], born [redacted], of [redacted], Milwaukee, and A[redacted] M[redacted], born [redacted], the son of A[redacted] M[redacted].

Frank Buccieri, a/k/a Frank Bruno, Frank Reynolds
W/M, born [redacted], Apartment [redacted]
Chicago, Illinois
FBI #: 1278635

A Chicago crime figure (brother of Fiore "Fifi" Buccieri) but of interest to this Division, primarily because of his reported marriage on January 15, 1971, to Mrs. Sally Papia, operator of Sally's Steak House, 1028 East Juneau Avenue, Milwaukee, a popular gathering place for Frank Balistrieri and his associates. Sally's residence, [redacted] Milwaukee, is also Frank's when he is in Milwaukee. Sally Papia has since denied having married Buccieri, but it is known he still visits her several times a week.

DCI-3 (10/5/67)

STATE OF WISCONSIN
DEPARTMENT OF JUSTICE

DIVISION OF CRIMINAL INVESTIGATION

Date October 22, 1970

At about 9:30 P.M, Special Agent GUERIN met [redacted] at the State Office Building, 819 North 6th Street, Milwaukee. She went to the telephone in the basement and dialed the KINGS IV tavern, telephone [redacted]. She said that she was talking to PETER GAUDESI, licensee. She asked to talk to FRANK BALISTRIERI. She told GAUDESI that she had been served with a subpoena. [redacted] told GUERIN that GAUDESI said FRANK BALISTRIERI was not at the KINGS IV tavern but that he (GAUDESI) would be able to locate him at 11:45 P.M.

At about 11:20 P.M. KRUSCHE, SUHR, and GUERIN met [redacted] at North Jackson and East Knapp Streets, Milwaukee. [redacted] agreed to carry a voice transmitter and signed a consent form.

At about 11:30 P.M. [redacted] entered the rear door of the KINGS IV tavern, 720 North Water Street, Milwaukee. KRUSCHE, SUHR and GUERIN monitored her conversation. She later said that she had been talking to PETER GAUDESI. During the conversation GAUDESI told her to go to the AD LIB tavern at 323 West Wells Street, Milwaukee and meet FRANK BALISTRIERI at 1:30 A.M., October 16, 1970.

KRUSCHE, SUHR and GUERIN established surveillance of the AD LIB tavern from their auto parked in the lot north of the tavern. At about 12:55 P.M. PETER GAUDESI entered the AD LIB. At about 1:00 A.M. FRANK BALISTRIERI entered the AD LIB. At about 1:05 A.M. GAUDESI and JAMES JENNARO left the AD LIB and entered the BELMONT HOTEL, 751 North 4th Street, Milwaukee.

At about 1:25 A.M. [redacted] entered the AD LIB and KRUSCHE,

On October 15, 1970 At Milwaukee, Wisconsin

Dictated October 16, 1970 By Assistant Director Norbert L. Krusche
Special Agents Suhr and Guerin

Typed By ms (6) File No. 12-19

This document contains neither recommendations nor conclusions of the Division of Criminal Investigation, Wisconsin Department of Justice. It is the property of the Division of Criminal Investigation, Wisconsin Department of Justice, and is loaned to your agency

CONSENT TO INTERCEPT ORAL COMMUNICATION

I hereby give Herbert L. Krushe and Michael Garien of the Wisconsin Department of Justice permission to intercept oral communications through the use of any electronic, mechanical or other device, said communications being between myself and Frank P. Balistrieri, and other third parties unknown to me (meaning conversations between myself and said third parties), all of said conversations taking place during the evening hours of October 15, 1970, in the City and County of Milwaukee, State of Wisconsin. I give this permission of my own free volition without any promises or threats having been made to me.

Dated This 15th day of October, 1970.

[redacted]

Witnesses:

Michael Garien

Herbert L. Krushe

March 27, 1972

David C. Mebane, Acting Administrator, DCI

Herbert L. Krusche, Assistant Director of Operations

Electronic Surveillance - re BALISTRIERI Investigations

In compliance with Deputy Attorney General SATHER'S memo of March 22, 1972, requesting information on any electronic surveillances performed by this office at the KINGS IV or on defendants in the KINGS IV ownership case brought by the United States Department of Justice, the following is submitted:

On October 15, 1970, a microphone was concealed on the person of one [redacted] (Informant [redacted]), after receiving her written consent.

[redacted] entered the KINGS IV cocktail lounge at about 11:30 p.m. on October 15, 1970, with a small transmitter concealed on her person. The transmitter proved to be defective and none of the conversations between [redacted] and any of the persons she contacted in the KINGS IV could be overheard by agents monitoring the conversation in a nearby parked car.

[redacted] made arrangements to meet with FRANK BALISTRIERI at 1:30 a.m. on October 16, 1970, at the AD LIB cocktail lounge through PETER GAUDESI, a bartender at the KINGS IV cocktail lounge. New batteries were installed in the transmitting unit and [redacted] entered the AD LIB cocktail lounge at about 1:25 a.m. on October 16, 1970. Due to the extensive noise in the AD LIB cocktail lounge, only parts of the conversation between FRANK BALISTRIERI, PETER GAUDESI, and JAMES JENNARO, and [redacted] could be overheard by Special Agents SUHR and GUERIN who were monitoring the conversation in a nearby parked auto. (See attached DCI-3 covering the incidents. CIIC file 12-19-1239; SE File 34-4-110).

The majority of information as well as identification of persons with whom [redacted] conversed in the AD LIB cocktail lounge was obtained from her at a de-briefing session after she left the AD LIB cocktail lounge at approximately 1:45 a.m. on October 16, 1970.

RECEIVED

None of the information obtained from [redacted] while she was

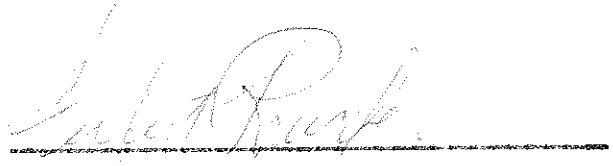
MAR 30 1972

DCI CIIC

wearing the transmitter in question was used by the federal authorities in their pending case against BALISTRIERI and his associates in the pending federal tax violations cases relating to the concealed ownership of the KINGS IV cocktail lounge.

On the date in question, [redacted] was a paid informant of the Milwaukee DCI office. Although she is no longer working for us as a paid informant, she does provide periodic information relative to criminal activities in the Milwaukee area. I feel that this informant should be protected and if it is necessary to forward any information relative to our activities on October 15 and 16, 1970, we should do so by protecting our informant by using a number in any correspondence with U. S. Attorney MICHAEL H. KING.

We have had no wire taps or other legal type of wire intercepts on BALISTRIERI or any of his associates. The fact that this informant carried the transmitter during her meeting with BALISTRIERI, GAUDESI, and JENNARO on October 16, 1970, should not have any bearing on the federal case under prosecution. If there is any way that we can send a negative report in this matter to KING in writing, I think we should do so. I suppose that our attorneys will have to decide as to whether or not we can legally hold back on this information without jeopardizing ourselves or the Attorney General in the future.



HLK:so

David J. Edstrom

WARREN SPANNAUS, ATTORNEY GENERAL
STATE CAPITOL
ST. PAUL, MINNESOTA 55101

U.S. POSTAL SERVICE MN 550
PM
4 APR

EISENHOWER USA

Mr. Herbert L. Krusche
Assistant Director of Operations
The State of Wisconsin
Department of Justice
Division of Criminal Investigation
Madison, Wisconsin 53702

STATE OF MINNESOTA
OFFICE OF THE ATTORNEY GENERAL
ST. PAUL 55101

WARREN SPANNAUS
ATTORNEY GENERAL

April 4, 1972

Special Agent Gary Hamblin
Wisconsin Department of Justice
Division of Criminal Investigation
819 North 6th Street
Room 814
Milwaukee, Wisconsin 53202

RE: Frank Balistrieri -- Sandstone Prison Release

CONFIDENTIAL

Dear Gary:

Enclosed is the old Minneapolis newspaper clipping with reference to Balistrieri, C[redacted] and DeSalvo.

Sincerely,

Dave

David J. Edstrom
Special Assistant Attorney General
Organized Crime Intelligence Unit

DJE/ch

Enclosure (no clipping with this copy - GMC)

cc: Herbert L. Krusche

RECEIVED

APR 6 1972

DCI	-	CHC
Oct	1	69

2

April 3, 1972

Mr. Dave Edstrom
Special Assistant Attorney General
Minnesota Attorney General's Office
101 Capitol Square Building
550 Cedar Street
St. Paul, Minnesota

Re: Frank P. Balistreri - Release from Federal Prison, Sandstone, Minnesota

Dear Mr. Edstrom:

Enclosed are photographs of Frank P. Balistrieri, who is to be released from the Federal Prison at Sandstone, Minnesota on Friday, April 7, 1972.

In your telephone conversation with Special Agent Hamblin on this date, you indicated that you would attempt to ascertain the time of release of the above subject and the identity of the person or persons whom he meets upon his release. Any assistance you can render in this matter will be greatly appreciated.

Please direct any information or questions concerning this matter to Special Agemt Gary H. Hamblin, Wisconsin Department of Justice, Division of Criminal Investigation, 819 North 6th Street, Room 814, Milwaukee, Wisconsin 53202, telephone [redacted].

Please be assured of our cooperation in all matters of mutual concern.

Sincerely,

FRANK A. MEYERS
Director of Operations

HERBERT L. KRUSCHE
Assistant Director of Operations

OC-1-69

WISCONSIN DEPARTMENT OF JUSTICE
CRIMINAL DIVISION

Balistrieri Penalty of $14,670 Paid

6

A fine of $10,000 and court costs of $4,670.40 were paid in cash Wednesday in the Federal Clerk of Courts office here on behalf of Frank P. Balistrieri, 53, Milwaukee night club operator.

The payment was made in $100, $50, $20 and $10 bills brought to the office in a brown paper bag. Receipt for the money was made out to Balistrieri's brother, Peter, who was accompanied by Atty. Roland J. Steinle Jr.

BALISTRIERI

Payment of the money was a condition of Balistrieri's release this Friday from the federal prison at Sandstone, Minn., where he is serving a sentence of one year and a day for federal income tax evasion. He began serving the sentence last June 28.

Federal Judge Omer Poos, of Springfield, Ill., who presided at Balistrieri's trial, ruled that if the payment was not made Balistrieri would have to stay in prison.

OC-1-71

RECEIVED

APR 7 1972

DCI CIIC

XC - Ernie 8/29/83 - hg

Comments:

Date: 4-6-72
Publication: Milw. Sentinel

	O.C.	NARC.	GEN.	SPEC.
Coordination:	Wedn.			

Submitting Unit:

WISCONSIN DEPARTMENT OF JUSTICE
CRIMINAL DIVISION

Balistrieri Set to Be Released

Frank P. Balistrieri is scheduled to be released from federal prison Friday after serving nine months and nine days for income tax evasion.

Balistrieri, 54, entered the prison at Sandstone, Minn., June 28 to serve a year and a day sentence after conviction on two counts of income tax evasion. He is being released earlier because of good behavior.

While in prison a federal grand jury indicted him and four others, including his son, Atty. Joseph Balistrieri, on charges of conspiring to conceal the true ownership of the Kings IV, a bar at 720 N. Water St.

RECEIVED
APR 6 1972

DCI	-	CIIC	

Comments:

Date: 4-2-72
Publication: Milw. Journal

	O.C.	NARC.	GEN.	SPEC.
Coordination:	JK		C	

Submitting Unit: Milw.

CIIC File #:	OC	1	70	

WISCONSIN DEPARTMENT OF JUSTICE
CRIMINAL DIVISION

Balistrieri Penalty of $14,670 Paid

6

A fine of $10,000 and court costs of $4,670.40 were paid in cash Wednesday in the Federal Clerk of Courts office here on behalf of Frank P. Balistrieri, 53, Milwaukee night club operator.

The payment was made in $100, $50, $20 and $10 bills brought to the office in a brown paper bag. Receipt for the money was made out to Balistrieri's brother, Peter, who was accompanied by Atty. Roland J. Steinle Jr.

BALISTRIERI

Payment of the money was a condition of Balistrieri's release this Friday from the federal prison at Sandstone, Minn., where he is serving a sentence of one year and a day for federal income tax evasion. He began serving the sentence last June 28.

Federal Judge Omer Poos, of Springfield, Ill., who presided at Balistrieri's trial, ruled that if the payment was not made Balistrieri would have to stay in prison.

OC-1-71

RECEIVED

APR 7 1972

XC - Ernie 8/29/83 - hg

DCI			CIIC

Comments:

Date: 4-6-72
Publication: Milw. Sentinel

	O.C.	NARC.	GEN.	SPEC.
Coordination:	Wan			

Submitting Unit: Milw-71

WISCONSIN DEPARTMENT OF JUSTICE
CRIMINAL DIVISION

—AP Wirephoto

HOME FROM PRISON – Frank P. Balistrieri walked with his children Friday after his arrival at Mitchell Field. Balistrieri was released earlier in the day from the Sandstone (Minn.) Federal Prison where, he had been serving a sentence since June 28 for federal income tax evasion. With Balistrieri were (from left) John, Benedetta, Atty. Joseph P. (background) and Catherine. A total of $14,670 in fines and court costs was paid to the federal clerk of courts Wednesday by Balistrieri's brother, Peter, so the Milwaukee night club operator could be released on parole. Balistrieri won time off for good behavior.

RECEIVED

Comments:

APR 11 1972

DCI			CIIC

Date: 4-8-72
Publication: Mil. Journal

	O.C.	NARC.	GEN.	SPEC.
Coordination:	[illegible]			
Submitting Unit:	[illegible]			
CIIC File #:	OC	-1-	72	

CASE ACTIVITY REPORT
DJ-DCI-25

WISCONSIN DEPARTMENT OF JUSTICE
Division of Criminal Investigation — Operations
123 W. Washington Ave.
Madison, Wisconsin 53703

Date: April 10, 1972

Case No.: OC-1

INVESTIGATORS: Special Agents Donald A. Schmidt and Richard W. Larsen

SUBJECT OF INVESTIGATION: FRANK BALISTRIERI

On Friday, April 7, 1972, S/A's SCHMIDT and LARSEN went to Mitchell Field to observe the arrival of North Central Airlines Flight 994. This flight originated in Minneapolis-St. Paul and was scheduled to arrive in Milwaukee at 12:44 p.m. One of the passengers on this flight was FRANK BALISTRIERI who was released from the Sandstone, Minnesota, Federal penitentiary on this date. FRANK BALISTRIERI was also accompanied on this flight by his sons, JOSEPH and JOHN, his brother, PETER BALISTRIERI, and his nephew, JOSEPH (BABY JOE) BALISTRIERI.

The flight arrived on time and the passengers disembarked. S/A SCHMIDT was unable to get any photographs of the party arriving. S/A LARSEN left the airline terminal and took a position outside of the terminal. The BALISTRIERIs and FRANK'S daughters, BENEDETTA and CATHERINE, walked through the terminal and immediately exited from the terminal through the main entrance. The entire party entered a black 1972 Cadillac Fleetwood, 1973 Wisconsin plate #D139. The Cadillac was driven by an unidentified white male. The auto was driven directly to the BALISTRIERI residence at 3043 North Shepard Avenue, Milwaukee. The Cadillac then departed and took a circuitous route to West Allis. The unknown male was the driver at all times.

When LARSEN and SCHMIDT returned to the DCI office, SCHMIDT contacted the auto license section and determined that the license number D139 was listed to W[redacted] W[redacted], [redacted] Street, Wauwatosa, Wisconsin. A check of the DCI index card file was made by SCHMIDT. The index card file contained one reference for a Mr. W[redacted] (12-148-38). This reference was regarding telephone calls received by Attorney JOSEPH BALISTRIERI'S answering service. The telephone number associated with Mr. W[redacted] was [redacted].

A check of the Milwaukee Telephone Directory did not indicate that a W[redacted] W[redacted] resided at [redacted], Wauwatosa. This address appears in the telephone book as the residence of Attorney ROLAND K. WILDE. ROLAND WILDE also lists an office at 225 East Michigan Avenue, [redacted]. This business number and the number in the 12-148 report are identical.

RECEIVED
APR 11 1972
DCI CIIC

DAS:so

OC-1-23

April 13, 1972

OC-56

Special Agents Harold S. Engelbart and Gary H. Hamblin

S[redacted] [redacted] D[redacted] - Commercial Gambling

A surveillance of the activities of S[redacted] "[redacted]" D[redacted] was initiated by S/A's HAMBLIN and ENGELBART on April 12, 1972, in an attempt to determine contacts made which could involve commercial gambling activities.

10:45 a.m. - S[redacted] D[redacted]'S car was observed parked on East Humboldt Street in front of PETER SCIORTINO'S BAKERY which is located at 1101 East Brady Street.

10:50 a.m. - A pass was made at ANGELO DIGIORGIO'S house at 1821 North Marshall Street. Neither of the cars he is known to use was observed.

12:05 p.m. - S[redacted] D[redacted] was observed leaving SCIORTINO'S BAKERY and getting into his vehicle. He proceeded north on Humboldt Street to Land Place, west to Marshall Street where he parked in front of DIGIORGIO'S house. D[redacted] got out of the car and went into a house. Agents were unable to observe exactly what house he went into.

12:10 p.m. to
12:30 p.m. - The agents observed 6 other unknown males arrive by car or on foot and enter what appeared to be DIGIORGIO'S house.

12:35 p.m. - License numbers of all vehicles parked in the vicinity of DIGIORGIO'S house were obtained. (Licenses and licensees are listed elsewhere in this report.)

1:05 p.m. - A group of 7 men came out of what appeared to be DIGIORGIO'S house and congregated on the sidewalk and street in front of DIGIORGIO'S house. Some of the men were carrying paper bags and two men were observed carrying gym bags. DIGIORGIO and S[redacted] D[redacted] were observed as being present in that group.

1:10 p.m. - STEVE DISALVO'S vehicle, license #72/V36-085, with DISALVO as the driver and FRANK BALISTRIERI as a passenger, was observed proceeding north on Marshall Street toward the group, but it turned east on Hamilton Street and parked at PITCH'S LOUNGE on the corner of Hamilton and Humboldt Streets. Both of the occupants were seen to wave at the group in front of DIGIORGIO'S house before they made the turn.

RECEIVED

APR 18 1972

DCI - CIIC

1:15 p.m. - All but 2 of the men in the group were observed getting into a Cadillac, 72/R75-224, and an Oldsmobile, license #72/Q59136. The Cadillac had been parked in DiGIORGIO'S drive with the trunk open. Several of the men were observed putting something in the trunk. License #73/R75-224 is registered to C[redacted] K[redacted] at [redacted], Milwaukee. License #72/Q59136 is registered to J[redacted] V[redacted], at [redacted], Milwaukee.

1:25 p.m. - The other 2 unknown males left in front of DiGIORGIO'S house were picked up by another car, license #73/A42193, registered to C[redacted] P[redacted], [redacted], Milwaukee. S/A's HAMBLIN and ENGELBART conducted a moving surveillance on that vehicle and followed it to the Milwaukee Athletic Club on North Broadway Street. The car was parked in a public lot. S/A's HAMBLIN and ENGELBART returned to PITCH'S LOUNGE.

1:50 p.m. - S/A HAMBLIN went into PITCH'S LOUNGE. There was a young, white male bartender tending bar, and PETER PITCH and an unknown white female were seated at the bar. S/A HAMBLIN observed STEVE DISALVO and FRANK BALISTRIERI seated at a table in the northwest corner of the dining room with approximately 4 other unknown white males.

2:20 p.m. - S/A HAMBLIN left PITCH'S LOUNGE and returned to his car.

2:30 p.m. - One of the men seated with DISALVO and BALISTRIERI left and drove off in a car, license #72/Y43-160, listed to PRIZE STEAK PRODUCTS, INC., at [redacted], Milwaukee. (NOTE: Same person was observed talking to DISALVO at PITCH'S LOUNGE the day before.)

3:08 p.m. - PETER GAUDESI arrived at PITCH'S LOUNGE in his car, license #72/EB-1145, and he was observed entering PITCH'S.

3:35 p.m. - DISALVO and BALISTRIERI left PITCH'S LOUNGE. DISALVO drove BALISTRIERI home and surveillance was discontinued.

The license numbers which were obtained of vehicles parked in the vicinity of DiGIORGIO'S home are:

73/E58838	J[redacted] W[redacted]	New Berlin
73/A51689	E[redacted] W[redacted]	Wauwatosa
73/A25810	E[redacted] C[redacted]	Brown Deer
72/GD2826	G[redacted]	
72/UB2369	A[redacted]	Mequon
72/R75244	C[redacted] K[redacted]	
72/Q59136	J[redacted] V[redacted]	Milwaukee
72/S59-675	D. L. PETERSON TRUST, Baltimore, Maryland (used by P[redacted] D[redacted]	

72/T35-805 S[redacted] D[redacted]
72/GA5143 S[redacted] M[redacted], [redacted], Milwaukee (wife of A[redacted] M[redacted])
72/U60942 M[redacted] M[redacted], [redacted]
72/W47324 J[redacted] or A[redacted] N[redacted] [redacted], Milwaukee
73/A42-193 G[redacted] P[redacted] [redacted]

At approximately 11:15 a.m. on this date, S/A ENGELBART had been in the vicinity of FRANK BALISTRIERI'S residence and observed 2 elderly unknown white males on the front porch of BALISTRIERI'S residence. The 2 men were observed leaving and entering a vehicle, license #72/Y45-403, registered to JOSEPH P. CAMINITI at [redacted], Menomonee Falls. ENGELBART also observed a Cadillac in the driveway with license #72/LE3341, which is registered to JOSEPH P. BALISTRIERI at 3043 North Shepard Avenue, Milwaukee, Wisconsin.

LEADS: The following references were found in the Milwaukee Office files for the individuals named. Each of the references has some connotation of gambling activities. The names and references are:

[redacted] C[redacted] - Reference 4-SE-0-115
C[redacted] L[redacted] - Reference OC-46-3
J[redacted] V[redacted] - References 12-19-169 and 4-SE-0-139
M[redacted] M[redacted] - Reference 4-SE-0-139

Some of these individuals can be interviewed and possibly subpoenaed before a Grand Jury when this commercial gambling investigation is complete.

HSE:so
cc: OC-1
OC-13

RECEIVED
APR 17 1972
CRIMINAL INVESTIGATION DIVISION

The State of Wisconsin
Department of Justice
Madison
53702

ROBERT W. WARREN
ATTORNEY GENERAL

ARVID A. SATHER
DEPUTY ATTORNEY GENERAL

April 3, 1972

Mr. Michael H. King
c/o Chicago Strike Force
U.S. Department of Justice
U.S. Courthouse, Room 1500
219 South Dearborn Street
Chicago, Illinois 60604

Dear Mr. King:

You have requested information from this department as to whether or not the Wisconsin Department of Justice has conducted any electronic surveillance of Frank Balistrieri, Joseph Balistrieri, Angelo DiGiorgio, Peter Gaudesi, Jennie Alioto or Sue Bartfield, their residences or their places of business. Please be advised that the only such surveillance engaged in by this Department consisted of the following.

On October 15, 1970, at approximately 11:30 p.m., an informant of the Wisconsin Department of Justice wore a mechanical voice transmitter into the Kings IV Tavern, 720 North Water Street, Milwaukee, Wisconsin. This transmitter was placed on the informant with the informant's consent and it was done in connection with an investigation being conducted by the Wisconsin Department of Justice which was not related to any federal investigation. Because of a mechanical failure, nothing intelligible was transmitted. Peter Gaudesi was present in the Kings IV at the time. The informant was on the premises for only a matter of minutes. No tapes or logs were kept of the transmission as nothing was heard.

At approximately 1:30 a.m., on October 16, 1970, the same informant wore the same device into the Ad Lib Tavern, 323 West Wells Street, Milwaukee, Wisconsin. The informant consented to the wearing of the transmitter. Peter Gaudesi and Frank Balistrieri were present. Agents of the Wisconsin Department of Justice monitored the informant's conversation with Balistrieri. Because of excessive background noise in the Ad Lib, little of the conversation was overheard by State agents. The portions overheard consisted of the informant telling Balistrieri that the informant had been served with a subpoena. Balistrieri stated that F[redacted] S[redacted] and James Jennaro would also be in court. Balistrieri then asked the informant if the informant was still unemployed. When an affirmative response was given by the informant, Ba

RECEIVED
S. E. District
APR 11 1972
APR 24 1972

DCI | CIIC

stated, "You are taking care of us, so we are taking care of you." The informant asked what the subpoena was about and Balistrieri stated that it concerned activities at the Ad Lib some time ago and further stated, "Just remember, you don't remember anything." The informant was also told by Balistrieri that if they asked about social security, the informant was to tell them that social security was deducted. The informant was also told to go to the Kings IV after the court appearance to see about a job. This conversation lasted less than five minutes.

No logs or tapes were kept of the transmission and it was done in connection with an investigation conducted by the Wisconsin Department of Justice which was unrelated to any federal investigation. The federal government did not request or aid in the surveillance nor has the information stated above been forwarded to the federal government. No other electronic surveillance was used by the Wisconsin Department of Justice regarding the individuals or places mentioned above.

Sincerely yours,

Robert W. Warren
Attorney General

RWW:dh

HR

INTELLIGENCE DIVISION

OFFICE OF ATTORNEY GENERAL

OBSERVATION OR SURVEILLANCE REPORT

CASE

DATE OF SURVEILLANCE:

DATE OF REPORT 7 Apr 72

SUBJECT MATTER OF INVESTIGATION

BALISTRIERI, FRANK

TYPE OF SURVEILLANCE:

Fixed and Moving

INVESTIGATORS

#24 & #24A

PURPOSE OF SURVEILLANCE OR OBSERVATION

Identify persons picking up subject upon his prison release.

TIME OR LICENSE NO.	OBSERVATION OR IDENTIFICATION OR DESCRIPTION

On 6 April 1972 at 1930 hours #24 and I departed the Twin Cities for Sandstone, Minnesota. As we drove up we spot checked area motels in an attempt to locate persons or vehicles who could conceivable be in the area overnight to pick up Frank BALISTRIERI the next morning in Sandstone. In Hinckley, Minnesota, south of Sandstone about eight miles on Highway 35, #24 noted a black vinyl over white Cadillac, Minnesota plate no. 3NV860. This vehicle was rented from AVIS at the Twin Cities International Airport from 1105 hours, 6 April 1972 through 7 April 1972, at 1018 hours by Joseph BALISTRIERI, rental slip attached to this file.

We proceeded to Sandstone and the federal prison to confirm F. BALISTRIERI'S release the following morning, arrived 2330 hours 6 April 1972. After this confirmation we proceeded to an area motel until the following morning at 0600 hours at which time we set up our surveillance of Sandstone and the federal prison some three miles away.

At about 0830 hours the Cadillac showed up in Sandstone and drove to the prison, with four male occupants, photos attached. At about 0845 hours 7 April 1972, Frank was released and accompanied by the four previously mentioned males to the prison parking area where they were photographed by #24A and overheard to carry on the following conversation with someone in the prison from the outside in fluent Italian. "Questo nomo non ha fatto niente," or -- "You know this man has done nothing." The dialect used was southern Italian and definitely from south of Rome. The conversation took place as they were laughing and walking out on the sidewalk from the prison. I could not identify the person inside or overhear his part of the conversation from where I was situated in the parking area. After a brief conversation in the parking area, all five got in the Cadillac and departed for the Twin Cities International Airport in Minneapolis some eighty-five miles away.

STATE OF MINNESOTA
OFFICE OF THE ATTORNEY GENERAL
ST. PAUL 55101

WARREN SPANNAUS
ATTORNEY GENERAL

April 13, 1972

Mr. Walter Younk
Division of Criminal Investigation
Office of the Attorney General
Department of Justice
Madison, Wisconsin 53702

RECEIVED
S. E. District
APR 17 1972

Dear Mr. Younk:

Enclosed is a summary of our surveillance of the Balistrieris. Please let us know if you need further specifics on our observations.

Enclosed is a copy of the car rental slip for the Balistrieris. The town they stayed in overnight was the first town south of Sandstone. It is a very small town with only one motel in it. Their car was observed there about 9:30 p.m. on the night before Frank Balistrieri's release. The Balistrieris arrived at Sandstone at 8:00 a.m. sharp the next morning. Frank Balistrieri came out into the waiting room and looked straight ahead. He did not show any sign of recognition of his family who were sitting or standing in the waiting room. Also, as I advised over the telephone, no one in this party of five used crutches at any time, either at the prison or at the airport. However, one of the family carried a pair of crutches onto the airplane. Joseph Balistrieri paid for all the return plane tickets.

Also enclosed are two copies of each picture of the Balistrieris leaving Sandstone prison, and a picture of a man as yet unindentified who met and spoke with the Balistrieris at the Minneapolis-St. Paul airport. Please advise us if you know his identity. If not, we will let you know when we identify him. One of our investigators picked up a tail leaving the airport, so the Balistrieris still have some people to call on in the Twin Cities.

I would greatly appreciate it if you could send us any newspaper coverage of the Balistrieris arrival in Wisconsin, and also any

RECEIVED
APR 24 1972

background information of these individuals which might be of use to us in our files.

Please feel free to call on us for assistance in the future whenever we can help out.

Sincerely,

Dave Edstrom

David J. Edstrom
Special Assistant Attorney General
Organized Crime Intelligence Unit

DJE/ch

Enclosures

Del

chen

stt./SO

in transit

3043 N Shepard Ave

Milw, Wisc

4303

RTH CENTRAL

April 18, 1972

David J. Edstrom
Special Assistant Attorney General
Organized Crime Intelligence Unit
550 Cedar Street
101 Capitol Square Building
St. Paul, Minnesota 55101

Dear Mr. Edstrom:

We are most appreciative of the cooperation and assistance of your unit in connection with the recent departure from Sandstone of Frank P. Balistrieri.

The arrival in Milwaukee was on schedule but otherwise uneventful. Press coverage was limited to the enclosed news clip, with no side article. The glossy prints should assist your unit in identification in the event any of the individuals return to your area.

The elderly unidentified male in your photo and referred to in your letter of April 13, 1972, is not known to this office, but we would appreciate being advised in the event you are able to make identification.

Thank you again for your assistance, and be assured of our cooperation in any future matters of mutual concern.

Sincerely,

Frank A. Meyers
Director of Operations

Herbert L. Krusche
Assistant Director of Operations

RECEIVED
APR 20 1972
CRIMINAL INVES. DIVISION

HLK:WAY
Enclosures (3)

RECEIVED
APR 24 1972
DCI

April 12, 1972

OC-13

Special Agents Gary H. Hamblin, Richard H. Anderson and Thomas J. Steingraeber

STEVE DISALVO - Surveillance

On Tuesday, April 11, 1972, at approximately 1:30 p.m., Special Agent HAMBLIN observed the following vehicles parked in front of FRANK BALISTRIERI'S residence at 3043 North Shepard, Milwaukee:

72 Wis/UB-1865	TEAMSTERS LOCAL NO. 200, 6200 West Bluemound Road, 1972 Lincoln, 4 door
73 Wis/A30-679	JOSEPH BALISTRIERI, 211 West Wisconsin Avenue, Milwaukee
72 Wis/V36-085	STEVE DISALVO, [redacted], Milwaukee 1972 Imperial, 4 door

HAMBLIN surveilled the above vehicles and the BALISTRIERI residence until approximately 2:40 p.m. During that time, there was no activity observed. S/A HAMBLIN then left the vicinity.

At approximately 3:30 p.m., HAMBLIN returned to the vicinity of 3043 North Shepard. At that time, the only vehicle parked in front of the residence was the one listed to JOSEPH BALISTRIERI. HAMBLIN then proceeded to the 1000 block of East Hamilton where S/A's ANDERSON and STEINGRAEBER advised that DISALVO'S vehicle was parked in front of PITCH'S LOUNGE at 1801 North Humboldt, Milwaukee.

S/A HAMBLIN entered PITCH'S LOUNGE at approximately 4:00 p.m. There were approximately 12 patrons at the bar. DISALVO was observed in the northwest corner of the empty dining room, seated at a table, talking to an unknown male. At approximately 4:20 p.m., DISALVO and the unknown male entered the bar area. Because DISALVO had his hat and coat and appeared ready to leave, HAMBLIN left the bar area to be in a position to surveil DISALVO when he left.

At approximately 5:20 p.m., DISALVO and the unknown male that he had been conversing with exited PITCH'S LOUNGE. The unknown male entered a late model Buick with a Wisconsin registration, 72 Wis/Y43-160. The license number is listed to PRIZE STEAK PRODUCTS, INC., 4264 South 27th Street, Milwaukee. ANTHONY LA ROSA is the president of PRIZE STEAK PRODUCTS, INC.

DISALVO entered his vehicle. DISALVO then drove to the vicinity of Green Bay Avenue and West Congress Street where he parked his vehicle and

RECEIVED
APR 20 1972
CRIMINAL INVESTIGATION DIVISION
RECEIVED
APR 24 1972
DCI CIIC

apparently entered the Green Bay Building, 4385 North Green Bay Avenue. The Green Bay Building is an office building and houses offices of UNIVERSAL BUILDERS, INC., and ANDY HURLEY REAL ESTATE.

At approximately 6:10 p.m., DiSALVO entered his vehicle and drove to his residence at [redacted], Milwaukee.

The vehicles with the following license numbers were observed in the vicinity of Green Bay Avenue and West Congress Street at the time that DiSALVO was in the area:

72 Ill/KK-8587	M[redacted] C[redacted], [redacted], Centralia, Illinois
72 Wis/Q-9691	[redacted] O[redacted], [redacted], Milwaukee
72 Wis/NA-6420	R[redacted] S[redacted], [redacted], Milwaukee
72 Wis/LD 7622	KING LEASING, INC., 12800 West Capitol, Brookfield
72 Wis/T76-900	D[redacted] B[redacted], [redacted], Milwaukee
72 Wis/L59-397	C[redacted] S[redacted], [redacted], Milwaukee
72 Wis/X7926	C[redacted] L[redacted], [redacted], Black Creek, Wisconsin
73 Wis/C52-951	C[redacted] C[redacted], [redacted], Milwaukee

GHH:so
cc: OC-1

RECEIVED
APR 30 1975
CRIMINAL INVESTIGATION
DIVISION

WISCONSIN DEPARTMENT OF JUSTICE
CRIMINAL DIVISION

Balistrieri Gets Travel Permission

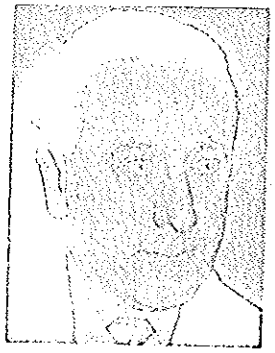
Frank P. Balistrieri, charged in an indictment with concealing his ownership of a Milwaukee night spot and of tax violations, was granted permission by the Federal Court Monday to travel outside the eastern judicial district of Wisconsin.

Balistrieri said in his petition that it would be necessary for him to travel outside the district to confer with his attorneys and for medical care. He has said that he suffers from hardening of the arteries and heart trouble.

The 53 year old nightclub operator, his son, Atty. Joseph P. Balistrieri, and four other persons were indicted by a federal grand jury last Nov. 9.

The indictment charged the six with conspiring to conceal the true ownership of the Kings IV, a night spot at 720 N. Water St., and of conspiring to file false income tax returns in connection with the establishment's operation. The six have pleaded not guilty.

Balistrieri has hired the Washington law firm headed by Edward Bennett Williams, a nationally known attorney and owner of the Washington Redskins professional football team. He also is represented by Milwaukee Atty. Roland J. Steinle Jr.



Frank P. Balistrieri

Persons under federal indictment may not leave the judicial district where the charges are pending without court permission. While some courts require advance notice for travel, Balistrieri was granted a broad right to travel within the continental boundaries of the US.

He promised to notify his attorneys of where he could be contacted.

Balistrieri was released from federal prison at Sandstone, Minn., April 7 after serving about 10 months of a one year sentence for income tax evasion.

RECEIVED
APR 27 1972

DCI			CIIC

Comments:

Date: 4-25-72
Publication: Milw. Journal

	O.C.	NARC.	GEN.	SPEC.
Coordination:				

Submitting Unit: Milw.

CIIC File #:	OC-	1 -	[redacted]	[redacted]

[redacted] -179

WISCONSIN DEPARTMENT OF JUSTICE
CRIMINAL DIVISION

WISCONSIN
Press Association
110 East Main Street
MADISON, WIS. 53703
Clipping Bureau Division

Milwaukee Sentinel
JAN 21 1972

Union, Care Homes Cited In Labor Suit

A former business agent for Local 150 of the Service Employes' International Union filed unfair labor practice charges Thursday against the local and five Wisconsin nursing homes whose employes are represented by the union.

William J. Smith, Milwaukee, the former business agent, accused the union and homes of violating provisions of a state law covering all-union agreements.

Nursing homes named were Madison Convalescent Center, Madison; Care Center East, Fond du Lac; Hearthside Nursing Home & Rehabilitation Center, 9222 N. Green Bay Ave., Brown Deer; Surfside Manor, 1522 N. Prospect Ave., and Jackson Center, 1540 N. 6th St.

Smith said that all are operated by Unicare Health Services, a Delaware corporation.

Complaints filed with the Wisconsin Employment Relations Commission in Madison charged the union and homes with interfering with, coercing and intimidating employes in the exercise of their right to be represented by a labor organization of their choice; of signing contracts without the knowledge or consent of employes, and enforcing an all-union agreement without a referendum as required by law.

In a press release, Smith, who is president of a newly formed independent union, accused Donald Beatty, Local 150 president, of entering into "sweetheart contracts" with management. Smith called Local 150 a "dues collection agency," not a union.

Beatty denied any legal violations and said that Smith was merely attempting to advertise his new union — Local 222 of the United Nursing Home and Hospital Employes' Federation.

A Milwaukee spokesman for Unicare said only that it was company policy "to bargain in good faith with appropriate unions and their elected officials in line with applicable Wisconsin laws.

Beatty explained that as Unicare expanded its nursing home operations, Local 150, which already had contracts with homes owned by the corporation, automatically added employes of new acquisitions to their bargaining unit.

Beatty announced last October that Smith and another business agent, Roger Jacobson, had been laid off for mishandling contract negotiations with representatives for the Jewish Home for the Aged here. Beatty said that a one week strike against the home was unnecessary; that neither Smith nor Jacobson had been authorized to call a strike there.

Jacobson is an officer of Smith's new union.

RECEIVED
FEB 21 1972

DCI		CIIC	

Comments:

Date:
Publication: 1/21/72 Milw. Sentinel

	O.C.	NARC.	GEN.	SPEC.
Coordination:				
Submitting Unit:				
CIIC File #:	9-	50		-201

CASE ACTIVITY REPORT
DJ-DCI-25

W..CONSIN DEPARTMENT OF JUST..
Division of Criminal Investigation -- Operations
123 W. Washington Ave.
Madison, Wisconsin 53703

Date: May 9, 1972

Case No.: OC-1

INVESTIGATORS: Assistant Director Herbert L. Krusche

SUBJECT OF INVESTIGATION: FRANK BALISTRIERI - Income from Service Employees Union 150.

GEORGE SIBLEY, an investigator for the Federal Labor Department, advised that he is investigating the SERVICE EMPLOYEES UNION 150 because that union listed FRANK BALISTRIERI as a director in the early 1960's. SIBLEY, working with the Federal Organized Crime Strike Force out of Chicago, said that he would be auditing this union's books shortly.

SIBLEY provided a copy of an interview of a WILLIAM L. SMITH and a ROGER JACOBSON. Assistant Director KRUSCHE gave SIBLEY a copy of a news clipping involving BEATTY and the activities of the union in question. There were no other references in our files relative to beatty or the union.

LEAD: AL SUHR to have a background run on BEATTY and the union.

HLK:ms

U.S. DEPARTMENT OF LABOR
Office of Labor-Management
and Welfare-Pension Reports

REPORT OF INTERVIEW

Date December 29, 1971

On the above date the following were interviwed re a complaint concerning the possible misuse of funds of Local 150, Service Employees Union, AFL-CIO, 135 South Wells Street, Milwaukee, Wisconsin 53203:

WILLIAM L. SMITH, former Business Representative of Local 150, residing at [redacted], Milwaukee, Wisconsin 53233 (telephone: [redacted]); K[redacted] I[redacted], former Business Representative of Local 150, residing at [redacted], New Berlin, Wisconsin (telephone: [redacted]); ROGER JACOBSON, Vice-President of Local 150, residing at [redacted] Court, Milwaukee, Wisconsin 53224 (telephone: [redacted]).

The following information was provided: The Complainants charged that DONALD BEATTY, current President and Business Representative in Charge of Local 150, purchased a trailer (Winnebago) from Trava Cruiser Sales and Rental, Inc., [redacted], Milwaukee, Wisconsin. He purchased the trailer with a check in the amount of $5,137.38 (Check # 9454) drawn on the Local's general fund at 1st Wisconsin Bank, Milwaukee, plus a withdrawal in the amount of $6,000.00 from the Local's Life Insurance Fund at the West Allis State Bank. The date of the purcahse was February 20, 1971. BEATTY did not have the approval of the Local's Executive Board or the membership at the time he made the purchase. Article 5, Section 6 of the Local's Constitution and Bylaws provides that expenditures can be made by the Business Representative in Charge subject to the approval of the Executive Board. The approval was not given until August 1971, some six months later.

The Complainants also stated that when BEATTY purchased the trailer he traded in a Trailblazer Trailer, which he owned, and was given a $3,550.00 trade-in allowance. According to the Complainants, BEATTY made $950.00 in cash on the trade which was never reported to the Local. He was able to make $950.00 on the trade because the actual market value of the trade-in was $2,600.00 which was the amount TRAVA Cruiser subsequently sold the trade in for. (See Attachment A). However, BEATTY was actually allowed $3,550.00 on his Trailblazer Trailer, by the dealer, which as previously noted was $950.00 more than its fair market value. The $950.00, according to the Trava Cruiser salesman B[redacted] S[redacted], represented an overallowance similar to a cash discount on a no trade sale (Attachment A). The Complainants contacted the dealer and obtained a copy of the sales agreement plus a signed statement by S[redacted] describing the nature of the trade-in allowance (Attachments A and B).

When questioned about the trailer, BEATTY contended that it was to be used for organizing purposes. The Complainants charged that at least 1,000 miles which BEATTY put on the trailer in so called organizing activities up in Beloit and Madison is false since he was never in either area.

BEATTY was requested by the Executive Board to get rid of the trailer but, as of

(CONTINUED)

RESTRICTED INFORMATION
Not to be disseminated without approval of Supervisor

Date Dictated 1/3/72

By C/O Ralph E. Lufen

Date Transcribed 1/5/72 jai

At Chicago, Illinois

File No. 50- (22)

LMSA 228 (10/66)

This document is the property of the Office of Labor-Management and Welfare-Pension Reports. Its contents are not to be disclosed to unauthorized persons.

yet, he has not done so. Currently it is sitting at his daughter's home, P[redacted] V[redacted], of Milwaukee, Wisconsin.

JACOBSON, current Vice-President of Local 150, claimed that in December 1969 the records of the Local indicated that $3,600.00 was spent by BEATTY for the purchase of an automobile. Later this amount could not be found in the Local's records. Apparently, since BEATTY already received a $150.00 per month car allowance, the $3,600.00 is above what he is entitled to. In addition, JACOBSON claimed that BEATTY charges the International Union 10¢ per mile for car expenses because he is also an International Representative.

JACOBSON also charged that, on three occasions, cars which belong to the Local disappeared for some time (a 1969 Ford LTD and a 1970 Chevy) and were being used by BEATTY's family especially his daughter P[redacted] V[redacted]. He gave the example of the 1970 Chevrolet which disappeared in November 1970 with approximately 10,000 miles and was not returned until July 1971 with 16,500 miles. JACOBSON did not know whether expenses for the use of these cars during these periods were charged to the Local. He stated that the credit cards for the Local were either in BEATTY's name or the Local's.

The Complainants also questioned the dues receipts of $124,982.00 as listed in the 1970 LM-2. They claimed that the Local has about 4,000 members who pay $4.00 per month dues and felt that more dues were taken in than reported on the LM-2.

It was also alleged that BEATTY and [redacted] A[redacted], an employer representative for the Health and Welfare Fund (a Taft-Hartley Plan), took a trip to San Francisco and paid for their expenses out of this fund. JACOBSON claims that blank checks which are presigned by the company representative for the Health and Welfare Fund are kept in the Local's office.

According to the Complainants, the Local's books are filled with erasers and the members are rarely informed of the Local's financial condition. BEATTY, as the President and Business Representative-in-Charge, has complete freedom in his activities and is subject to very little control by the Local.

The Complainants suggested that BEATTY has negotiated sweetheart contracts with Unicare Health Services and Town Realty of Milwaukee, Wisconsin. Unicare operates homes for the aged at the following facilities: Surfside, Hearthside, Jackson Center, National Convalescent, United Care, Eastview (all in Milwaukee); Madison Convalescent Center (Madison, Wisconsin); Care Center East and Care Center West (Fond du Lac, Wisconsin). Town Realty operates the following facilities

in Milwaukee which have contracts with the Local: Lewis Center, Commerce Building, and Plankington Building. The Complainants believed that BEATTY might possibly have some financial interest in Town Realty.

The Complainants mentioned that the Local had attempted to remove BEATTY from office but that the International had intervened and allowed him to remain.

The Complainants also indicated that BEATTY is a "lifetime friend" of FRANK BALISTRIERI, a known hood, who is listed as an Executive Board member of the Local in 1959 LM-1.

The Complainants provided the following documents which are included as attachments to this Report of Interview:

A. Signed statement by E[redacted] S[redacted] re the trade-in allowance on the purchase of a trade.

B. Vehicle Purchase Contract with Trava Cruiser Sales and Rental, Inc.

C. Various recommendations and requests of the Local's Executive Board and officers.

D. Charges by the current Treasurer of the Local, M[redacted] H[redacted] against DONALD BEATTY, President and Business Representative-in-Charge of Local 150.

E. Constitution and Bylaws of Local 150.

As a member duly elected and installed Treasurer of Local 150, Service Employees' International Union, AFL-CIO, CLC, I hereby submit to the Executive Board of this local union the following charges against one Donald Beatty, President of this local, Business Representative in charge, as violating Article XVI, Sections 1,2,3,4,5,6,10,11 and 12 of the International Constitution.

1. Since on or about June 12th, 1970, when I became Treasurer of Local 150, Donald Beatty has continued to dispense Local 150 funds without authorization of either the Executive Board or the membership. This is in violation of both federal law and the International Union Constitution.

2. At no time have I ever seen the financial records of Local 150, or have I ever signed a check for this Local union; to my knowledge this is in violation of both federal law and the International Union Constitution.

3. I charge Donald Beatty with financial malpractice for the following reasons:

A. On or about March 30, 1971, without authorization from the Executive Board or membership, Donald Beatty personally issued Local 150 check number 9454 to Trava Sales Co. in the amount of $5,137.38 for the purchase of a Winnebago mobile home.

B. During the month of April, 1971, Donald Beatty, without authorization of the Executive Board or the general

membership withdrew from the Local 150 Life Insurance Fund in the West Allis State Bank the amount of $6,000.00. The books show this as balance of the cost of the mobile home.

C. In February of 1970, Mr. Donald Beatty did, without authorization of the Executive Board or the general membership, issue a Local 150 check in the amount of approximately $12,000 to one Ruby Chevrolet Company for the purchase of four, gray, 1970, four door, hard-top Cherevolet Impalas. During this period and to this date Ruby Chevrolet is listed on the "unfair to labor" list of the AFL-CIO.

D. With the purchase of the above listed four Chevrolets, this brought to five the total of fleet cars owned by Local 150. As of this date the total number of business representatives employed by this local union is four plus Donald Beatty, who does not use a fleet car. Accordingly, I do hereby charge Donald Beatty with the mis-use of union property.

E. Donald Beatty has authorized an office secretary to sign Local 150 checks. This was done by Donald Beatty without the authorization of either the Executive Board or the general membership or myself the Treasurer of Local 150.

F. I charge Donald Beatty with disobedience to lawful instructions of the Local 150; On June 22, 1971, a majority of the Executive Board of Local 150 voted to impound the financial records of Local 150 for a complete investigation. Upon demanding the records, Donald Beatty refused to produce the Local 150 records to the Executive Board.

4. I charge Donald Beatty with gross inefficiency and action which threatens the integrity of the union in the handling of the I[redacted] K[redacted] grievance case for the following reason:

1. He refused to settle the case during contract negotiations.

2. He failed to process the case, which is now 9 1/2 months old, through the grievance procedure in the contract agreement and as a result I[redacted] K[redacted] has lost all rights to arbitration.

3. L[redacted] K[redacted] has retained an attorney and now plans legal action against Local #150, which might threaten the integrity of the union.

5. By information and belief I charge Donald Beatty, with conduct threatening the integrity of the union by entering into a verbal agreement with management officials at Northwest General Osteopathic Hospital, Milwaukee, Wisconsin on or about October, 1970 to delay the paying of the negotiated wage increase until Jnauary 1971 in the contract agreement. This agreement was made without consulting or informing Local 150 members at Northwestern General Osteopathic Hospital.

File: OC-62

5

Details:

On Tuesday, May 16, 1972, D[redacted] G[redacted], W/M, D.O.B. [redacted], residing at [redacted] Fox Point, Wisconsin, testified before the Milwaukee County Grand Jury concerning his knowledge of gambling. His testimony was transcribed verbatim by a court reporter and a copy of the transcript is on file as OC-134-1C-131.

On May 22, 1972, Special Agent THOMAS J. STEINGRAEBER reviewed the transcript and a summary of the testimony is as follows:

MR. G[redacted] testified he is married, has one child, and is employed by the DA-LON CORPORATION, of which he is an officer. His occupation is office building manager. He further testified he has checking accounts at the following banks:

HERITAGE BANK of Whitefish Bay
FIRST NATIONAL BANK of Glendale
AMERICAN CITY BANK & TRUST COMPANY

MR. G[redacted] testified he has been betting for approximately fourteen years. He related the following information relative to his gambling activities:

MR. G[redacted] testified he bet with J[redacted] P[redacted]. He stated he had a $300.00 limit with P[redacted]. (page 15) He stated he bet the 1971 football season with J[redacted] P[redacted]. (page 18) He bet every professional football game on television. MR. G[redacted] bet mainly on teams in the "black and blue division", Packers, Vikings, and Lions. In addition he bet on three to six college games a week, primarily in the big ten. (page 19) He paid J[redacted] P[redacted] juice. (page 22) He placed the bets at telephone number [redacted], which is located at J[redacted] P[redacted]'S residence. The Dallas vs. San Francisco 49er game was the last game MR. G[redacted] bet on with J[redacted] P[redacted]. He stated he does not nor does P[redacted] owe him any money. (page 24) MR. G[redacted] bet an average of $4,500.00 a week with P[redacted]. (page 28) On one occasion he paid MR. P[redacted] $600.00 or $700.00 at the TOWNE ROOM. On other occasions he drove to P[redacted]'S home which is located on Story Parkway. (page 29) The bet he placed with J[redacted] P[redacted] on the Dallas Cowboy vs. San Francisco 49er game was in the amount of $300.00. (page 31)

MR. G[redacted] related the following gambling activities with JOHN PISCUINE. He stated he bet with J[redacted] P[redacted] between September 1 and December 31, 1970. He placed approximately 25 bets on

RECEIVED
JUN 6 1972
DCI CIIC

football games with J[redacted] P[redacted]. He dealt with J[redacted] P[redacted] directly. MR. G[redacted] called J[redacted] P[redacted] at the TOWNE ROOM or at his residence to place the bets. The bets he placed with J[redacted] P[redacted] involved juice. (pages 40 through 42)

MR. G[redacted] testified he currently owes T[redacted] M[redacted] money, the amount being under $1,000.00. He conservatively estimated he lost $80,000.00 to T[redacted] M[redacted]. On one occasion he testified T[redacted] M[redacted] knocked his feet off the desk when M[redacted] tried to collect $600.00 or $700.00. This occurred approximately four years ago. (page 26) G[redacted] stated he started to bet with T[redacted] M[redacted] when he got out of high school. MR. G[redacted] identified Exhibit #164 as a photograph of T[redacted] P[redacted] also known as A[redacted] M[redacted]. He identified Exhibit #132 as T[redacted] M[redacted]. He further identified Exhibit #133 as A[redacted] M[redacted], P[redacted]'S son. (page 33) He described T[redacted] M[redacted] as the "head of the thing". G[redacted] stated he hasn't bet with M[redacted] in two or three years. (page 34) The only time he bet with P[redacted] was when T[redacted] M[redacted] was out of town or T[redacted] M[redacted] advised him to call P[redacted]. G[redacted] testified T[redacted] M[redacted] told him he wanted $100.00 from him every month. (page 35) He further testified he called T[redacted] M[redacted] at approximately 12:00 p.m. on Monday afternoons and asked him for a figure and they would discuss the amounts won or lost. (page 36) MR. G[redacted] stated that approximately six years ago he heard that H[redacted] (F[redacted] S[redacted]) and the M[redacted] layed off to Pittsburg. (page 56)

MR. G[redacted] testified to the following gambling relationship with F[redacted] S[redacted]. He testified people called F[redacted] S[redacted], H[redacted]. He stated he met H[redacted] when H[redacted] worked for his dad which was twenty to twenty five years ago. G[redacted] stated he started to bet with H[redacted] approximately seven or eight years ago. He claims the last time he bet with H[redacted] was approximately 1969. G[redacted] stated he had to post the money when he bet with H[redacted]. (page 32)

MR. G[redacted] testified he bet with [redacted] F[redacted] A[redacted] through a beard, R[redacted] A[redacted] or B[redacted] H[redacted]. In addition he gave bets to N[redacted] S[redacted], which he thinks S[redacted] gave to [redacted] F[redacted]. (page 17) G[redacted] stated R[redacted] A[redacted] also was a beard for G[redacted] with T[redacted] [redacted] and B[redacted] B[redacted]. (page 43) He had a $500.00 limit with A[redacted]. (page 44) The bets he placed with R[redacted] A[redacted] involved juice. (page 45)

T[redacted] [redacted] (A[redacted] S[redacted]), in addition to betting through beards, G[redacted] testified he bet for a period of approximately three days during the last baseball season (1971) directly with T[redacted] S[redacted]. (page 12) In addition he bet the 1971 football season with T[redacted] [redacted] through B[redacted] H[redacted]. The last bet he had with T[redacted] [redacted] was on the Dallas Cowboys vs. San Francisco 49er game. This bet was

made through H[redacted] H[redacted]. (page 13) MR. G[redacted] testified T[redacted] would only take a $500.00 bet. MR. G[redacted] identified a photograph, Exhibit #124, as T[redacted].

MR. G[redacted] related the following gambling activities with W[redacted] W[redacted]. He stated he placed a bet with W[redacted] W[redacted] in the amount of $200.00 on the Bucks vs. Lakers game two weeks ago. (page 30) He also bet on the Knicks and the Lakers, approximately three games, and lost every one. He testified W[redacted] only recently started to "make book". MR. G[redacted] paid W[redacted] W[redacted] juice. (page 54) MR. G[redacted] further testified that W[redacted] W[redacted] is wide open in his gambling operations.

MR. G[redacted] testified he bet with S[redacted] B[redacted] approximately three years ago. (page 58) He testified four days ago he paid S[redacted] B[redacted] $150.00 for a gambling debt. He further testified he thinks J[redacted] M[redacted] is S[redacted] B[redacted]'S right hand man.

G[redacted] testified he bet with S[redacted] G[redacted]. G[redacted] testified he owes S[redacted] G[redacted] approximately $3,000.00. (page 25) G[redacted] stated he did not bet with S[redacted] G[redacted] in 1971, however, he did bet with him in 1970. He bet with S[redacted] G[redacted] at the RAINBOW BAR and thinks the telephone number was [redacted]. Approximately 90% of his bets with S[redacted] G[redacted] involved football bets. He bet approximately $7,000.00 to $8,000.00 a week with S[redacted] G[redacted]. He paid S[redacted] G[redacted] juice. Payoffs and collects with S[redacted] G[redacted] were made at the RAINBOW BAR on Lincoln Avenue. MR. G[redacted] testified he heard rumors that S[redacted] G[redacted] was a partner with [redacted] F[redacted] A[redacted]. On one occasion S[redacted] G[redacted] furnished MR. G[redacted] with [redacted] F[redacted] A[redacted]'S telephone number. (page 45 through 50)

G[redacted] met S[redacted] K[redacted] at a Bucks game and at that time placed a $50.00 or $100.00 bet with him. He stated he lost the bet and the following Monday or Tuesday K[redacted] came to his office to collect. He testified the following week he won approximately $900.00 from K[redacted], however, K[redacted] never showed up to pay him off. (page 52)

G[redacted] admitted betting with B[redacted] C[redacted], who he states used to help B[redacted] P[redacted], when P[redacted] was out of town. His testimony indicated that he thought that C[redacted] worked for P[redacted]. (page 10 and 11)

G[redacted] went on to relate the following information. Over 75% of his bets were straight bets. He also placed numerous parlay bets. In addition he placed "if-come" bets. He explained an "if-come" bet as follows: if the Packers were playing Detroit in the afternoon, and the Bears were playing the Rams in the evening, lets say I would bet the Packers like $1,000.00. If they win, $2,000.00 on the Bears. If they lose, then I would have nothing on the Bears. (page 20)

MR. G[redacted] denied that anyone ever threatened his mother or tried to collect his gambling debts from her. (page 26) He testified that his mother is a millionaire.

MR. G[redacted] testified he borrowed money from the Whitefish Bay Bank to pay his gambling debts. He testified he had 4,000 to 5,000 shares of stock, which were worth $40.00 to $50.00 apiece. He stated that was in approximately 1962. He has since lost all that money and claims to be busted. (page 57) MR. G[redacted] estimates that he has lost, through gambling, approximately $300,000.00 to $400,000.00. (page 11)

Assistant Attorney General ANDREW SOMERS asked MR. G[redacted] if STEVE DE SALVO was a "bookie". MR. G[redacted] replied he thought STEVE DE SALVO is a hoodlum. G[redacted] asked to see DE SALVO'S picture because it could be the guy who, four or five years ago, came to his office and tried to collect some money. He stated it was money he supposedly owed a guy at the track. He stated the guy that came to his office, who he knew only as STEVE, told him to be careful. G[redacted] testified he heard he is like a crusher man or tough guy for FRANK BALISTRIERI. (page 57)

When MR. G[redacted] was asked about prostitution and R[redacted] C[redacted], he requested to talk with his attorney. MR. G[redacted] was then excused and advised to return for further testimony on May 24, 1972, at 1:30 p.m. (page 64)

cc: OC-1
OC-13
OC-18
OC-31
OC-35
OC-42
OC-55
OC-61
OC-66
OC-67
OC-130
OC-138
OC-164
Peshek

CASE ACTIVITY REPORT
DI-DCI-25

(.SCONSIN DEPARTMENT OF JU(.CE
Division of Criminal Investigation — Operations
123 W. Washington Ave.
Madison, Wisconsin 53703

Date: June 5, 1972

Case No.: OC-104

INVESTIGATORS: Special Agent Harold S. Engelbart and Assistant Director Herbert Krusche

SUBJECT OF INVESTIGATION: SALLY PAPIA

On June 5, 1972, Assistant Director KRUSCHE and Special Agent ENGELBART had lunch at SALLY'S STEAK HOUSE, 1028 East Juneau Avenue, Milwaukee, Wiscosnsin.

SALLY PAPIA joined the Agents at their table. She was served a subpoena to appear before the Milwaukee County Grand Jury at that time. Assistant Director KRUSCHE stressed the point that SALLY should be truthful and not evasive or forgetful when she appears to testify.

SALLY also related some problems she was having at this time. She said that FRANK TRAVATO was leaving her employ to take a position in Chicago with a "good Italian friend." She said he was leaving some time this summer.

SALLY said she was considering hiring another "nice Italian boy," but that her godfather, FRANK BALISTRIERI, is trying to hurt her. She said that FRANK BALISTRIERI had talked to the person she wanted to hire as TRAVATO'S replacement.

After some reluctance, she said the replacement she was considering, is JAMES JENNARO.

SALLY said that FRANK BALISTRIERI talked to JENNARO and told him that, "working for SALLY could be good because he can make a lot extra stealing from her." SALLY explained that she will have nothing to do with FRANK BALISTRIERI now, because of his advice to JENNARO.

According to SALLY, JENNARO was also done wrong by FRANK BALISTRIERI. She said JENNARO was let go by FRANK while FRANK was in prison. She said JENNARO was in a hospital for about a month, due to a serious car accident, and received no financial help whatsoever from BALISTRIERI. SALLY said she feels she can trust JENNARO because she knew him so well, as they grew up together as kids.

SALLY was asked about MAX ADONNIS, and she expressed her feelings that ADONNIS took advantage of her. She said she had him on the payroll for a part-time job at $20.00 per week. Because of that, every release pertaining to ADONNIS' trouble brought notoriety to her. She said he had a full time business at his garage, but this was never brought out in the newspapers. SALLY said ADONNIS' family family was on welfare while he is in prison, and she is

RECEIVED
JUN 9 1972
DCI CIC

OC-1-82

considering setting up a "benefit" for MAX'S wife and kids.

At approximately 1:10 p.m., when the Agents were leaving they observed ANGELO DI GIORGIO talking to an unknown white male on the sidewalk immediately in front of SALLY'S STEAK HOUSE.

[redacted] was seen joining DI GIORGIO and the unknown white male. [redacted] and DI GIORGIO were then observed entering SALLY'S. [redacted]'S blue Plymouth vehicle, license number S59-675, was observed parked on Juneau Street, in front of SALLY'S.

MSE:kmj
cc: OC-56
OC-46
OC-1
OC-17

WISCONSIN DEPARTMENT OF JUSTICE
CRIMINAL DIVISION

Dismisses 3 Balistrieri Case Counts

Three counts of a federal grand jury indictment returned against Frank P. Balistrieri, Milwaukee nightclub operator, were dismissed Monday by Judge Myron L. Gordon.

Only one count, charging conspiracy, remains against Balistrieri.

The indictment involved alleged concealment of the true ownership of the Kings IV, formerly located at 720 N. Water St.

In the three dismissed counts, Balistrieri was charged with failing to file with the Treasury Department special tax forms required for operation of a retail liquor business.

Gordon's dismissal of the counts pointed out that the penalty provision dated in the indictment did not fit the offense provision.

"Mr. Balistrieri's failure to register could be charged as a misdemeanor (punishable by a $50 fine) . . . but not as a felonly punishable by five years in prison and a $10,000 fine)," the decision said.

Balistrieri, 53, of 3042 N. Shepard Ave., and five others are named in the conspiracy count of the indictment.

The others are his son, Atty. Joseph P. Balistrieri, who has been granted a separate trial, Miss Jennie Alioto, 45, of 2440 N. Dousman St.; Miss Susan Bartfield, 31, of 2035 N. Lake Dr.; Angelo Di Giorgio, 34, of 1821 N. Marshall St., and Peter Gaudesi, 41, of 7503 W. Stevenson St.

Despite legal insufficiency found by Gordon in portions of the conspiracy count, the decision said the count adequately states a violation of the law.

The indictment, returned last November, was the result of co-ordinated efforts of the Justice Department's Chicago Strike Forceon Organized Crime and the organized crime section of the State Department of Justice's Division of Criminal Investigation'

RECEIVED

JUN 26 1972

DCI			CIIC

Comments:

Date: June 20, 1972
Publication: Milwaukee Sentinel

	O.C.	NARC.	GEN.	SPEC.
Coordination:	[illegible]			

Submitting Unit: Milwaukee [illegible]

CIIC File #:	OC -	8 -	27	

cc: OC-1-83

She's Scenes of the Sea Are Something to See

By MARGARET FISH, Special Correspondence

THE SEA, into whose depths her artist's imagination and research have taken her, is the lyric theme in every one of Sue Bartfield's pastel paintings at the David Barnett Gallery, 2101 W. Wisconsin Ave.

Wonderment growing in Miss Bartfield's work and is expressed with a sensibility that is decidedly romantic but never sentimental or turned toward the merely picturesque.

In her paintings, there is no imitative intention as such, and many of them are nearly abstract as, for instances, "Sargasso Sea" and "West Wind Drift." Horizontal striations suggest sluggish bands of seaweed in the former. Deeper tones of the same hues appear in a more complicated and atmospheric patterning to evoke freer and lighter movements of water in the latter.

Swimming Lions

Creatures of the sea lend themselves most gracefully to Miss Bartfield's design. In "Lion Fish," the mellow hues of color and the exotic subject, in "Horned Gobies," the formal pattern and it might easily be taken for a decline plant growth instead of the small fish, [illegible] integral role, eminently in "Curtain of Mist," "Reflections in an Oyster's Eye," and "Fleur Crystal." In the last, along with the whiteness of the paper there is a surfeit of reds, for a brilliant effect. "Reflections in an Oyster's Eye," the most poetic in title and treatment of the paintings, employs lemon yellow, ivoried whites and cerulean blues to tell what her mind's eye envisions for the shellfish.

"Curtain of Mist" is done in atmospheric colors which fall from a passage of blue shadows over palely gleaming paper at the top of the composition. The vertical falls of mist are in roses, purples, pinks and whitened yellows.

Moon Walk Next

"Reef Jungle," "Ocean Wonderland," "Entry to Grotto," "On-And Off Search," "Desert in the Sea," "Banquet of the Falling Tie," "Coral Maze," "Imperator in a Purple Grotto," are a number of her other titles — all indicative of her enthusiastic and romantic temperament, evidently.

Miss Bartfield's work is directly an expression of her response to this moment in time, when the mysteries under the sea and in space are of artists are turning to again —"most flexible, not at all fragile, so fresh and pure in color." She builds up her tints and tonalities, using 3 to 10 layers, lightly spraying fixative on each layer except the last which she believes to remain velvety and pristine.

387 Delicious Flavors

Her palette includes gold, lemon and cadmium yellows, pale pinks and roses, blues from the darkest to the palest blue-greens, gradations of white, reds and crimsons, deep purples and pale lavenders and clear violets, pink-oranges, deep and light greens, and black which she most often scumbles with deep blues or purples.

"You know, don't you," she asked excitedly, "that one firm alone puts out 387 colors in pastel?" She also likes the feel of the pressed finely ground pigments (held together with a weak gum) in her hand. "I feel direct and free using it," she said.

"Garibaldi" is the most profound and also the most decorative of her sea series. In this, she allowed her delight in color and her fastidious design sense full play. The scumbled passages of black with blue and purple demonstrate how eloquent

Creatures Of Sea Sail On Canvas

The mysteries of the deep are given poetic expression by Sue Bartfield in her solo show of pastel paintings that opened Sunday at the David Barnett Gallery, 2101 W. Wisconsin Ave.

Fearsome and quaint creatures of the sea, reef and shore figure in colorful designs replete with a sense of rhythm and wonder.

Miss Bartfield, who says she did most of her research at the Shedd Aquarium in Chicago, gives primacy to imagination. She makes no academic report of her denizens and parasites.

Applying her granular medium in many layers, each set by light applications of fixatives, Miss Bartfield achieves a blurred, almost watery effect appropriate to her subject.

She also has manipulated her crayon expertly to create iridescent play of hues to approximate the rainbow display in mother of pearl and other shells.

At times the play of color is interrupted to make use of the startling statement of bare paper to serve as eloquent con-

RECEIVED
JUL 20 1972
CRIMINAL INVESTIGATION DIVISION

WISCONSIN DEPARTMENT OF JUSTICE
CRIMINAL DIVISION

MILWAUKEE — Antonio Balistiere, confessed slayer of Milwaukee teamster James Sokop, 29, was being returned from Boston to Milwaukee for trial by Detective Sullivan aboard a train. While Balistiere was kept prisoner at a Boston police station, he made three attempts to commit suicide by trying to hang himself in his cell. It was July 12 that Sokop, employed by the commission firm of E. R. Godfrey & Sons, was shot in cold blood from the seat of his truck by an Italian assailant at Buffalo and Jefferson Sts. He was hauling a load of bananas from the Northwestern Depot to the Godfrey commission store. Milwaukee police investigating the killing were met with unyielding resistance by 3rd Ward Italian residents who were interviewed, leading to the belief that the slayer was being shielded by the Mafia. On encountering this barrier of silence, dozens of police officers in plainclothes saturated the 3rd Ward while several detectives were assigned to begin a systematic search. Every Italian residence in the ward was searched from bottom to garret, but without success.

When Balistiere was picked up in Boston after a lengthy stakeout, he was found standin an Italian marketplace with a basket selling boiled crabs.

RECEIVED

JUL 28 1972

DCI			CIIC

Comments: Lead: S/A Anderson to obtain background on Subject and determine relationship to Frank P. Balistrieri.
File as old background info.

Date: July 24, 1897
Publication: Milwaukee Sentinel

	O.C.	NARC.	GEN.	SPEC.
Coordination:	[illegible]		[illegible]	
Submitting Unit:				
CIIC File #:	OC	1	85	

OC-1

DEPARTMENTAL CORRESPONDENCE

Date: [illegible]

To: [illegible]

From: [illegible]

Subject: [illegible]

[illegible]

[illegible]

Reception Sunday, [illegible] 2 to 6 p.m.

[illegible]

[illegible] and by appointment

DEPARTMENTAL CORRESPONDENCE

Date: July 21, 1972

To: Don Murphy

From: Wayne Saubert

Subject: SUE BARTFIELD'S Art Showing

KARL KOLBE and myself went to the art showing of SUE BARTFIELD at the DAVID BARNETT ART GALLERY, 2101 W. Wisconsin Avenue, Milwaukee, Wisconsin, on this date.

The price of each picture tended to be related to the size. All the pictures were pastel's. An average size picture of 25" x 32" sold for $350.00 to $400.00. Small pictures brought from $125.00 to $200.00.

Below is a list of those pictures which were tagged as sold, (as of 7/21/72, 2:30 p.m.).

Curtain of Mist	$ 400.00
Reflection in an Oysters Eye	400.00
Jungle Reef	400.00
Coral Maze	350.00
Sargasso Sea	250.00
Garibaldi	400.00
Gypsie of the Sea	400.00
Sailor by the Wind	175.00
Total	$2,775.00

It must be remembered that the paintings may not have been sold for the card price. Also, the gallery would take a commission from whatever price the painting was sold for.

For future reference, BARNETT GALLERY should have records of to whom the painting was sold, the selling price and their commission on the sale for each painting sold thru their shop.

WS:mam

Wayne

RECEIVED

JUL 28 1972

DCI CIIC

PERSONAL INTERVIEW REPORT
OF DCI-3

WISCONSIN DEPARTMENT OF JUSTICE
Division of Criminal Investigation – Operations
123 W. Washington Ave.
Madison, Wisconsin 53703

Date August 7, 1972
Case No: OC-32

PARTY INTERVIEWED OSCAR J. PLOTKIN

ADDRESS 1100 East Congress, Shorewood, Wisconsin

INTERVIEWING AGENTS Special Agent Thomas J. Steingraeber and Assistant Director Herbert L. Krusche

On Monday, July 31, 1972, at 12:00 p.m., Special Agent THOMAS J. STEINGRAEBER and Assistant Director HERBERT L. KRUSCHE interviewed O[redacted] [redacted] P[redacted], W/M, D.O.B. [redacted], of [redacted], Shorewood, Wisconsin. Also present during the interview were MR. P[redacted]'S attorneys NATHANIAL and DAVID ROTHSTEIN. Representing the State was Assistant Attorney General PETER PESHEK and Assistant District Attorney JOSEPH TESCH.

O[redacted] P[redacted] was questioned by Assistant Director KRUSCHE regarding the reason and circumstances involved in the sale of the SCENIC LOUNGE. MR. P[redacted] stated that the exchange of the SCENIC LOUNGE took place almost 25 years ago. He states that H[redacted] K[redacted] owned the fixtures and he (O[redacted] P[redacted]) had the license for the premises. His son, W[redacted] P[redacted], was the manager.

MR. P[redacted] states that H[redacted] C[redacted] approached him and wanted to buy the place. He claims he sold it to C[redacted] and the next thing he knew, FRANK BALISTRIERI was running the place.

He claimed that after the SCENIC was closed up, H[redacted] K[redacted] asked O[redacted] [redacted] P[redacted] to repossess the fixtures, which P[redacted] apparently had the title to.

O[redacted] P[redacted] stated he did work for FRANK BALISTRIERI at the following places: GRANT BAR, DOWNTOWNER, and GALLAGHERS. He then turned the bulk of his business over to BASIC FIXTURES, and they did the KINGS IV for FRANK BALISTRIERI. MR. P[redacted] stated that he had heard that BASIC FIXTURES got "screwed out of a lot of money on the KINGS IV."

Other information regarding prostitution, gambling, and stolen property are filed on separate DCI-3 reports.

RECEIVED
AUG 14 1972

TJS:ms
cc: OC-1

DCI		CIIC	

AGENTS SIGNATURES:

DATES: 8/8/72

OC-1-87

August 2, 1972

OC-104

Special Agent HAROLD S. ENGELBART and Assistant Director HERBERT L. KRUSCHE

SALLY PAPIA

On August 2, 1972, Assistant Director KRUSCHE and Special Agent ENGELBART contacted SALLY PAPIA. SALLY PAPIA confided to A/D KRUSCHE and S/A ENGELBART various bits of intelligence information. She stated that she is in the process of hiring F[redacted] S[redacted] to conduct maintenance work at her restaurant. SALLY said that she knew S[redacted] had formerly been employed by FRANK BALISTRIERI. She added that she recalled first meeting him when she was to assist FRANK BALISTRIERI in setting up a Christmas party for FRANK RANNEY and a large Teamsters affair at the SCENE NIGHTCLUB. SALLY stated that she was to help set up the place for dinner and also prepare the food. She said that F[redacted] S[redacted] was present then and appeared to be organizing the arrangements. SALLY said she was very upset when the flowers arrived for the table decorations. She said that the flowers actually consisted of funeral wreaths. She added that some of the flowers still had cards attached to them indicating that they were used for some funeral arrangements. She then talked to F[redacted] S[redacted] and complained about the flower arrangements. F[redacted] S[redacted] advised her that she should have known where the flowers came from. SALLY said that they came from GUARDALABENE & AMATO FUNERAL HOME. SALLY said that GUARDALABENE was related to FRANK BALISTRIERI.

SALLY stated that she had hired JIM JENNARO, who also worked for FRANK BALISTRIERI. SALLY said that most of FRANK BALISTRIERI'S former employees have become very disillusioned with him as he let them down when he was in prison. She said that most of FRANK'S employees had been out of work since FRANK went to prison and he had not helped them or their families in any way.

SALLY added that FRANK BALISTRIERI had lost considerable power since Milwaukee PHIL ALDERISIO had died. SALLY said that Milwaukee PHIL had control of the Milwaukee operation and FRANK BALISTRIERI worked for him. She added that now that Milwaukee PHIL was gone the Milwaukee area was open territory.

SALLY said that latest rumors were that, "They would like to get her out of the way." She was asked in what manner they would get her out of the way and she just shrugged her shoulders.

RECEIVED

SALLY said that LOUIE FAZIO would love to take over the Milwaukee operation at this time, but that FRANK BALISTRIERI is still strong enough to hold onto local control. She said FRANK BALISTRIERI does not have any good contacts in Chicago at the present time. She said that she knew for a fact that FAZIO had numerous judges and police officers in his pocket. SALLY said that LOUIE FAZIO and T[redacted] E[redacted] were the biggest bookies in town. She said she did not think these men were kicking back any money for their operation to FRANK BALISTRIERI. She brought up the problem she had about two years ago when she had the problem with F[redacted] F[redacted]. Her employee at that time, FRANK TRAVATO, had broken [redacted] [redacted]'S jaw in a dispute which involved [redacted]'S calling SALLY some derrogatory names. Within a matter of weeks after that she reported that a bullet had been fired into her car while she was driving and that her brake lines on her car had been cut on another occasion. She stated that a third occasion resulted in all her car windows being smashed while it was parked on the street in front of her restaurant.

SALLY said that FRANK BALISTRIERI advised her shortly after that, while he was at her restaurant, that a special police squad was responsible for the damage to her property. She said that some pressure was put on FRANK BALISTRIERI by the local police department. FRANK passed the word that no one better get hurt at that time because his court case was coming up and he did not want any extra pressure put on him. SALLY said that she felt FRANK TRAVATO would be dead today if BALISTRIERI did not pass the word.

SALLY confirmed the information that FRANK TRAVATO was presently working for FRANK BUCCIERI in Chicago, Illinois. She was very upset that "they took FRANKIE away from me." She said that she is sure the [redacted] will not attempt to hurt FRANK TRAVATO while he is working for the BUCCIERIS in Chicago.

SALLY said that STEVE DE SALVO was still FRANK BALISTRIERI'S chief lieutenant at this time.

SALLY PAPIA advised that Madison Attorney DONALD S. EISENBERG, Attorney for BALISTRIERI, came into her place for dinner at least once or twice each week. She said that he was always

accompanied by his blonde girlfriend. SALLY said that their conduct in her public place was "sickening." SALLY said that EISENBERG'S blonde girlfriend didn't wear anything underneath and the two constantly "pawed and chewed" on each other.

HSE:cn
cc: OC-1
OC-14
OC-19

RECEIVED
AUG 16 1972
CRIMINAL INVESTIGATION
DIVISION

August 18, 1972

Phil Culp

Don Murphy

Joseph P. Balistrieri

On August 17, 1972, I had a telephone conference with John Ruggero, ATF Chicago in regard to subject.

Ruggero told me he has traced funds from Milwaukee to bank accounts in Chicago (2) and Montreal.(1) He attaches ownership of the accounts to Frank P. Balistrieri. He said that an attorney named Joel Murry may be acting as courier for DiGiorgio and Frank P. Balistrieri in regard to the funds. Angelo

I asked Ruggero for copies of statements and certain invoices relating to the Kings IV, he took from Fien Bros., Milwaukee, which he said he would send.

I also told him I would send a copy of a statement Saubert took from the former President of Cardinal Boiler in regard to Frank P. Balistrieri.

DRM/clh

cc: Herb Krusche

cc OC/

RECEIVED

SEP 01 1972

OC-1-89

WISCONSIN DEPARTMENT OF JUSTICE
CRIMINAL DIVISION

No Appeal in Ruling on Balistrieri

The government has decided not to appeal a decision by Federal Judge Myron L. Gordon to dismiss three criminal tax charges against Frank P. Balistrieri, 53, of 3042 N. Shepard Ave.

Gordon dismissed the three charges, which were in connection with the Kings W, 720 N. Water St., on June 19.

The charges were part of a 10 count indictment returned last November against Balistrieri; his son, Atty. Joseph P. Balistrieri, 31; Miss Lennie Alioto, 44, of 2440 N. Dousman St., a bookkeeper for Frank Balistrieri; Angelo Di Giorgio, 34, of 1821 N. Marshall St., a former licensee of the Kings IV; Miss Sue Bartfield, 31, of 2035 N. Lake Dr., former manager and hostess there, and Peter Gaudesi, 41, of 7503 W. Stevenson St., a tavernkeeper.

RECEIVED

SEP 01 1972

OCI CIIC

Comments:

Date: August 23, 1972
Publication: Milwaukee Jouranl

	O.C.	NARC.	GEN.	SPEC.
Coordination:	HR		U	

Submitting Unit: Milwaukee Office

CIIC File #:	OC	1	90	

WISCONSIN DEPARTMENT OF JUSTICE
CRIMINAL DIVISION

Death Notices

Alioto, John

Aug. 27th, 1972, aged 83 years, of 1043[illegible] W. Concordia Ave. Beloved husband of Catherine (nee Alioto), dear father of Frances (Joseph) Dentice, Nina (Frank) Balistrieri, the late Joseph (Florence) Alioto, Angelo (Nina) Alioto, and Mary (Joseph) Caminiti, brother of Thomas Alioto, Maria Alioto of Calif., Rosalia Imbruglio, Anna Fricano, Josephine Busalacchi, and Santa D'Amato, all of Italy. Also survived by grandchildren, brothers-in-law, sisters-in-law, nieces, nephews, other relatives and friends. Funeral Wed. at 8:30 a.m. from the GUARDALABENE AND AMA[illegible] to St. [illegible] at 9 a.m. Interment Holy Cross. Parish vigil Tues. at 7:30 p.m. In state Mon. 6 to 9 p.m. and Tues. 3 to 9 p.m.

RECEIVED

AUG 31 1972

DCI			CIIC

Comments:

Date: August 28, 1972
Publication: Milwaukee Sentinel

	O.C.	NARC.	GEN.	SPEC.
Coordination:	[illegible]		0	

Submitting Unit: Milwaukee Office

CIIC File #: N	OC	1	91	

WISCONSIN DEPARTMENT OF JUSTICE
CRIMINAL DIVISION

John Alioto Dies; Restaurant Founder

John Alioto was 12 years old when he came to Milwaukee.

Leaving his friends and family in his native Palermo, Italy, he came here hoping to find work with one of the railroads.

He did find work — with the North Western Railway — and went on to become one of the area's most famous restaurateurs.

The founder of Alioto's Restaurant, at 3041 N. Mayfair Rd., Wauwatosa, died Sunday morning in St. Michael Hospital of a heart ailment. He was 83.

Services will be held Wednesday.

Alioto, who lived at 10424 W. Concord Ave., Wauwatosa, had suffered a fall at the restaurant about a month ago and had been hospitalized in critical condition ever since.

After working for the railway for several years, Alioto became a city street sanitation foreman in the old 3rd Ward, which had a substantial Italian population.

Through the years he developed the nickname of "The Mayor of the 3rd Ward."

He worked as a sanitation foreman for 41 years.

At the same time, Alioto opened a series of restaurants and taverns.

His first restaurant, Alioto Gardens, at E. Clybourn and N. Jefferson Sts., was opened in 1923. Six years later it was destroyed by fire.

Alioto was out of the restaurant business until 1945 when he opened the Express Bar, 801 E. Michigan St. The bar closed in 1950.

The forerunner of the present Alioto's Restaurant, Alioto's Supper Club, was opened in 1948 at E. Michigan and N. Van Buren Sts., the present site of the First Wisconsin Center. The restaurant survived until 1958, when Alioto moved the establishment to its current Wauwatosa location.

Active in the restaurant until his injury last month, Alioto supervised activities in and out of the kitchen. He often greeted guests and recounted anecdotes with friends.

He was the uncle of San Francisco Mayor Joseph L. Alioto. When the California Democrat visited Milwaukee last March campaigning for Sen. Hubert Humphrey, the elder Alioto held a family dinner at the Wauwatosa restaurant.

About 200 persons attended, including about 80 cousins of the mayor.

Alioto was one of the founders of Blessed Virgin of Pompeii Catholic Church, formerly at 419 N. Jackson St. The historic church was torn down in 1967.

Alioto is survived by his wife, Catherine; three daughters, Mrs. Frank Balistrieri, Milwaukee; Mrs. Joseph Dentice, Wauwatosa, and Mrs. Joseph Caminiti, Menomonee Falls; a son, Angelo, Wauwatosa; a brother, Thomas, Milwaukee, and four sisters, Mrs. Peter Alioto, San Francisco, Calif., and Mrs. Rosalia Imbrugio, Mrs. Josephine Busalacchi and Mrs. Santa D'Amato, all of Palermo, Italy.

Services will be at 8:30 a.m. Wednesday ta the Guardalabene and Amato Funeral Home, 2001 N. Holton St., and at 9 a.m. at St. Rita's Catholic Church, 1601 N. Cass St.

The body will be at the funeral home from 3 until 9 p.m. Tuesday with a parish vigil at 7:30 p.m. Burial will be in Holy Cross Cemetery.

RECEIVED

AUG 31 1972

DCI		CIIC	

Comments:

Date: August 29, 1972
Publication: Milwaukee Sentinel

	O.C.	NARC.	GEN.	SPEC.
Coordination:	JK		U	

Submitting Unit: Milwaukee Office

CIIC File #: N	OC	1	92	

WISCONSIN DEPARTMENT OF JUSTICE
CRIMINAL DIVISION

Restaurateur Alioto Dies of Heart Ailment

Services for John Alioto, 83, who owned a series of restaurants and taverns in the Milwaukee area for almost 50 years, will be held Wednesday.

He died Sunday at St. Michael Hospital of a heart ailment after being hospitalized about a month ago after a fall at his restaurant, 3041 N. Mayfair Rd., Wauwatosa.

Alioto came here from his native Palermo, Sicily, when he was 12 and worked for the North Western Railway. He became a street sanitation foreman in the old 3rd Ward, then predominantly Italian.

Destroyed by Fire

He held this job for 41 years. At the same time, he operated a number of restaurants and taverns, starting with the Alioto Gardens at Clybourn and Jefferson, which opened in 1923.

It burned down in 1929. In 1945, Alioto opened the Express Bar, 801 E. Michigan St., which closed five years later In 1948, he opened Alioto's Supper Club, at Michigan and Van Buren, a forerunner of his Wauwatosa restaurant, which began operations in 1958.

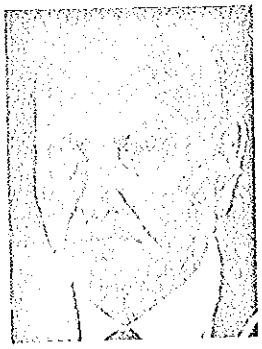
Last March the restaurateur was host to a family dinner for 200 persons in honor of Mayor Joseph L. Alioto of San Francisco. About half of those attending, including the restaurant owner, were relatives of the mayor, who was here campaigning for Sen. Hubert Humphrey.

'Mayor of Ward'

Alioto was a founder of the Blessed Virgin of Pompeii Catholic Church, 419 N. Jackson St., a pink colored landmark in the old 3rd Ward. It was torn down five years ago.

In the days when that area was a colorful region occupied chiefly by Milwaukeeans of Italian descent, Alioto was sometimes called "the mayor of the 3rd Ward."

Alioto is survived by his wife, Catherine, who lives at their home at 10424 W. Concord Ave., Wauwatosa; a son, Angelo J., Wauwatosa; three daughters, Mrs. Frank (Nina



John Alioto

Balistrieri, Milwaukee, Mrs. Joseph (Mary) Caminiti, Menomonee Falls, and Mrs. Joseph (Frances) Dentice, Wauwatosa; a brother, Thomas, Milwaukee, and four sisters, Mrs. Peter Alioto, San Francisco, and Mrs. Rosalia Ambrugio, Mrs. Josephine Musalacchi and Mrs. Santa D'Arrato, all of Palermo.

The body will be at the Guardalabene and Amato Funeral Home, 2001 N. Holton St., after 3 p.m. Tuesday, with a parish vigil at 7:30 p.m.

Funeral services will be held at the funeral home at 8:30 a.m. Wednesday and at 9 a.m. at St. Rita's Catholic Church, 1601 N. Cass St. Burial will be in Holy Cross Cemetery.

RECEIVED
SEP 01 1972

DCI		CIIC	

Comments:

Date: August 29, 1972
Publication: Milwaukee Journal

	O.C.	NARC.	GEN.	SPEC.
Coordination:				

Submitting Unit: Milwaukee Office

CIIC File #:	OC	1	93	

September 1, 1972

Re: OC-1-94

State of Wisconsin
Department of Transportation
Division of Motor Vehicles
Hill Farms State Office Building
Madison, Wisconsin 53705

Gentlemen:

Following is a list of Wisconsin automobile registration numbers obtained in an investigation conducted by this office. Please forward the registration information, including description of automobile, and lienholders, on these numbers.

F260	J31-149	L58-545
F2048	J34-945	
F8637	J39-858	M323
F37-988	J50-434	M42-612
F48-108	J50-584	
F64-377	J51-082	N3236
	J51-179	N3265
G4736	J57-802	N4330
G13-945	J68-477	N10-453
G26-344		N13-089
G40-189	K20-391	N17-692
G53-457	K21-368	N33-493
G53-756	K24-908	N38-917
G56-085	K26-645	N39-213
G57-399	K41-884	N50-923
G65-987	K43-344	N51-497
G73-014	K57-073	N51-790
G76-426	K65-130	N51-924
G84-558		N54-071
	L223	N57-368
H4217	L1216	N58-824
H47-003	L4486	N60-003
H61-842	L42-421	N63-556
H72-394	L51-003	N68-927
H74-740	L51-051	N91-707
	L51-708	

RECEIVED
SEP 11 1972
DCI - CIIC

P2138	Q55-579	R56
P26-374	Q84-410	R90
P38-884	Q85-450	R10-361
	Q98-718	R23-750
Q54-109		

Wisconsin Dealer Plates

40Z
202BW
202BZ

Wisconsin Vet

VET-214

Wisconsin DPW

13959

Please address your reply to the Wisconsin Department of Justice, Division of Criminal Investigation, Room 814, State Office Building, 819 North 6th Street, Milwaukee, Wisconsin, 53203, Attention: Special Agent Joseph R. Zaworski. Also please refer to our above reference number in your reply.

Sincerely yours,

FRANK A. MEYERS
Director of Operations

HERBERT L. KRUSCHE
Assistant Director of Operations

JRZ:ms

RECEIVED
SEP 8 1972
CRIMINAL INVESTIGATION
DIVISION

CASE ACTIVITY REPORT
DJ-DCI-25

WISCONSIN DEPARTMENT OF JUSTICE
Division of Criminal Investigation -- Operations
123 W. Washington Ave.
Madison, Wisconsin 53703

Date: August 28, 1972

Case No.: OC-104

INVESTIGATORS: Special Agent Alfred F. Suhr and Assistant Director Herbert Krusche

SUBJECT OF INVESTIGATION: SALLY PAPIA

On August 28, 1972, Special Agent SUHR and Assistant Director KRUSCHE, while having lunch, engaged SALLY PAPIA in conversation at her restaurant, SALLY'S STEAK HOUSE, 1024 East Juneau Avenue, and she provided substantially the following information voluntarily:

During the afternoon of August 14, 1972, while at work, she received a threatening telephone call from a male whose voice she was unable to identify. The caller said something to the effect that "you won't be around to take over as boss," obviously referring to her recent hiring of JAMES JENNARO (OC-17), F[redacted] S[redacted] and R[redacted] E[redacted].

On Friday, August 18, 1972, ANDREW LOCOCO'S brother invited SALLY and JENNARO to attend the launching of LOCOCO'S tuna boat in Sturgeon Bay, but neither she nor JENNARO attended. SALLY claimed she didn't want to be seen there by the press. She heard that the BALISTRIERIS and the M[redacted] were invited and believes they attended, possibly the dinner but not the launching.

Recently, FRANK BALISTRIERI (OC-1) attempted to recruit JENNARO to work at THE SCENE. JENNARO declined the offer by saying something to the effect, "when my wife and children needed help, only a girl helped me!"

SALLY also heard that the F[redacted] were putting their restaurant, F[redacted]'S ON JACKSON, up for sale for an unknown price.

AFS:ms
cc: OC-1
OC-4
OC-17
OC-159

RECEIVED
SEP 11 1972

DCI		CIIC	

WISCONSIN DEPARTMENT OF JUSTICE
CRIMINAL DIVISION

Reworking of Balistrieri Case Sought

13

The United States attorney's office asked Tuesday that an indictment against Frank P. Balistrieri and five other people be dismissed so that a new indictment could be brought.

Trials on the indictment, which charges that there was a conspiracy to hide Balistrieri's former ownership of the Kings IV tavern, 720 N. Water St., had been scheduled for December and February.

Michael King, an attorney with the Justice Department Strike Force Against Organized Crime, said a new indictment with substantially the same charges was being sought from a grand jury.

He said the new indictment was necessary to "clear up some of the language" of the original. An indictment cannot be changed once it is brought.

In addition to Balistrieri, the original indictment named his son, Joseph P.; Miss Jennie Alioto, 48, of 2440 N. Dousman St.; Angelo Di Giorgio, 35, of 1821 N. Marshall St.; Miss Sue Bartfield, 31, of 2035 N. Lake Dr., and Peter Gaudesi, 41, of 7503 W. Stevenson St.

RECEIVED
SEP 19 1972

DCI		CIIC	

Comments:

Date: September 13, 1972
Publication: Milwaukee Journal

	O.C.	NARC.	GEN.	SPEC.
Coordination:			✓	

Submitting Unit: Milwaukee Office

CIIC File #:	OC	1	95	

WISCONSIN DEPARTMENT OF JUSTICE
CRIMINAL DIVISION

98

Bar Case Figure Gets Immunity

Miss Susan Bartfield, 31, a former hostess at the Kings IV tavern, appeared before a federal grand jury Thursday after US Judge Myron L. Gordon dismissed an indictment against her and granted her immunity from prosecution for her testimony.

Miss Bartfield, of 2035 N. Lake Dr. was one of six persons, including Frank P. Balistrieri, named in 1971 indictments stemming from the alleged concealment of the ownership of Kings IV.

Atty. Michael King of the Justice Department's Organized Crime Strike Force in Chicago sought the immunity order to prevent Miss Bartfield from invoking her constitutional rights to avoid answering questions.

In dismissing the 1971 indictment against Miss Bartfield, Gordon also ruled that the charges may not be reintroduced at a later date.

RECEIVED
SEP 19 1972

DCI		CIIC	

Comments:

Date: September 15, 1972
Publication: Milwaukee Sentinel

	O.C.	NARC.	GEN.	SPEC.
Coordination:			✓	

Submitting Unit: Milwaukee Office

CIIC File #:	OC	1	96	

Key

WISCONSIN DEPARTMENT OF JUSTICE
CRIMINAL DIVISION

Judge Drops Charges in Balistrieri Case

An indictment against Frank P. Balistrieri and four other persons was dismissed Wednesday by Federal Judge Myron L. Gordon, who left the door open for further indictments in the case.

The US attorney's office had asked for the dismissal last week because of anticipated grand jury action.

Attorneys for Balistrieri and the other defendants had agreed to a dismissal but had asked Gordon to make it "with prejudice," a legal move that would have eliminated the possibility of another indictment for the same offense.

At the prosecution's request, Gordon made the dismissals "without prejudice," which will make possible another indictment with similar charges.

In addition to Balistrieri, the 1971 indictment named Atty. Joseph P. Balistrieri, 31; Miss Jennie Alioto, 44, of 2440 N. Dousman St.; Angelo Di Giorgio, 35, of 1821 N. Marshall St.; and Peter Gaudesi, 41, of 7503 W. Stevenson St.

All were charged with conspiracy to hide Frank P. Balistrieri's former ownership of the King's IV, 720 N. Water St. Several of the defendants were also charged with failure to file special tax forms.

Charges against a sixth defendant, Miss Sue Bartfield, 31, of 2035 N. Lake Dr., were dismissed by Gordon "with prejudice" last week. Gordon granted her immunity and ordered her to testify before a grand jury.

RECEIVED

SEP 27 1972

DCI			CIIC

Comments:

Date: September 21, 1972
Publication: Milwaukee Journal

	O.C.	NARC.	GEN.	SPEC.
Coordination:			C	

Submitting Unit: Milwaukee Office

CIIC File #:	OC	1	97	

CASE ACTIVITY REPORT
DJ-DCI-25

WISCONSIN DEPARTMENT OF JUSTICE

Division of Criminal Investigation – Operations
123 W. Washington Ave.
Madison, Wisconsin 53703

Date: September 1, 1972

Case No.: OC-1

INVESTIGATORS: Special Agents Richard W. Larsen and Alfred F. Suhr

SUBJECT OF INVESTIGATION: FRANK BALISTRIERI

On Tuesday, August 29, 1972, between 3:30 p.m. and 9:45 p.m., Special Agents LARSEN and SUHR conducted a surveillance of the GUARDALABENE & AMATO FUNERAL HOME, 2001 North Holton Avenue, Milwaukee, where the wake for JOHN ALIOTO was held. During the course of the surveillance, license numbers of cars in the immediate area were obtained. Those license numbers and listings are at the end of this report.

Several checks of FRANK BALISTRIERI'S and PETER BALISTRIERI'S homes were made during the hours of surveillance and the following observations were made:

5:15 p.m. -- A white over blue Chevrolet, Wisconsin license N58-824 (73) was observed parked behind PETER'S house. PETER BALISTRIERI was also observed behind his house. N58-824 (73) is listed to JOSEPH BALISTRIERI, 1634 North Jackson Street, Milwaukee, Wisconsin.

5:00 p.m. to
7:00 p.m. -- No activity or vehicles at FRANK BALISTRIERI'S home.

6:55 p.m. -- FRANK BALISTRIERI observed entering a Cadillac, Wisconsin license L63-421 (73) parked across from PETER BALISTRIERI'S house. L63-421 (73) is listed to J. BALISTRIERI, [redacted], Milwaukee, Wisconsin.

7:52 p.m. -- Attorney JOSEPH BALISTRIERI observed parking a new Cadillac without license plates on East Brown Street, a half block west of the funeral home.

8:10 p.m. -- FRANK BALISTRIERI, LOUIE FAZIO, and two unknown men observed conversing in front of the funeral home.

9:30 p.m. -- JOSEPH MANIACI observed through the front window of the funeral home.

9:15 p.m. -- Surveillance terminated.

The following license numbers were obtained from cars in the vicinity of the funeral home:

1972 Plates

N57-946 -- J[redacted] W[redacted], [redacted], Milwaukee, Wisconsin
P70-861 -- [redacted] M[redacted], [redacted], Milwaukee, Wisconsin

RECEIVED
OCT 13 1972
DCI CIIC

RC Hinkley 7/22/81

OC-1-98

Q4630 -- S[redacted] B[redacted], [redacted], Milwaukee, Wisconsin

Q55-938 -- J[redacted] S[redacted], [redacted], Milwaukee, Wisconsin

R72-301 -- FRANK & CATHY BALISTRIERI, [redacted], Milwaukee, Wisconsin

SC2130 -- A[redacted] C[redacted], [redacted], Milwaukee, Wisconsin

SE6957 -- J[redacted] G[redacted], [redacted], Milwaukee, Wisconsin

S1027 -- J[redacted] M[redacted], [redacted], Milwaukee, Wisconsin

S20-797 -- F[redacted] B[redacted], [redacted], Milwaukee, Wisconsin

S27-478 -- A[redacted] or E[redacted] F[redacted], [redacted], Milwaukee, Wisconsin

S38-587 -- F[redacted] G[redacted], [redacted], Milwaukee, Wisconsin

S40-147 -- P[redacted] C[redacted], [redacted], Milwaukee, Wisconsin

S51-359 -- SELIG EXECUTIVE LEASE COMPANY, [redacted], West Allis, Wisconsin

S52-461 -- RUDOLPH PORCHETTA, [redacted], Milwaukee, Wisconsin, on a 1970 Plymouth, 4 door.

S56-658 -- J[redacted] K[redacted], [redacted], [redacted], Milwaukee, Wisconsin

S57-051 -- J[redacted] D[redacted], [redacted], Milwaukee, Wisconsin

S57-156 -- F[redacted] B[redacted], [redacted], Milwaukee, Wisconsin

S57-764 -- J[redacted] P[redacted], [redacted], Milwaukee, Wisconsin

S71-129 -- J[redacted] P[redacted], [redacted], Milwaukee, Wisconsin

S87-755 -- A[redacted] R[redacted], [redacted], Waukesha, Wisconsin

T1223 -- M[redacted] or A[redacted] C[redacted], 5016 North 56th Street, Milwaukee, Wisconsin

T42-984 -- L[redacted] F[redacted], [redacted], Milwaukee, Wisconsin

T54-212 -- SONNY'S ELDORADO, INC., 10859 West Bluemound, Wauwatosa, Wisconsin

T92-827 -- L[redacted] I[redacted], [redacted], Madison, Wisconsin

T93-289 -- E[redacted] M[redacted], [redacted], Milwaukee, Wisconsin

UB3554 -- IVM LEASING COMPANY, GELCO, Box 16040, Elmwood Branch, Minneapolis, Minnesota

UB9447 -- D[redacted] & F[redacted] W[redacted], [redacted], Milwaukee, Wisconsin

UD2984 -- P[redacted] F[redacted], [redacted], Milwaukee, Wisconsin

U4996 -- F[redacted] F[redacted], [redacted], Milwaukee, Wisconsin

U19-060 -- D. & L[redacted] B[redacted], [redacted], Milwaukee Wisconsin

U54-420 -- FRUIT BOAT MARKET, INC., 150 South Water Street, Milwaukee, Wisconsin

U54-758 -- J[redacted] C[redacted], [redacted], Milwaukee, Wisconsin
U54-789 -- C[redacted] C[redacted], [redacted], Milwaukee, Wisconsin
U55-687 -- E[redacted] O[redacted], [redacted], Milwaukee, Wisconsin
V7334 -- P[redacted] P[redacted], Box [redacted], Babcock, Wisconsin
V7909 -- J[redacted] S[redacted], [redacted], Milwaukee, Wisconsin
V28-395 -- A[redacted] & T[redacted], [redacted], Milwaukee, Wisconsin
V62-436 -- P[redacted] D[redacted], [redacted], Shorewood, Wisconsin
V84-714 -- P[redacted] E[redacted], [redacted], Milwaukee, Wisconsin
V92-978 -- M[redacted] M[redacted], [redacted], Wauwatosa, Wisconsin
W2759 -- SANTO S. TORCIVIA, M.D., [redacted], Milwaukee, Wisconsin
W46-381 -- S[redacted] C[redacted], [redacted], Milwaukee, Wisconsin
W50-245 -- R[redacted] E[redacted], [redacted], Milwaukee, Wisconsin
W56-184 -- J[redacted] C[redacted], [redacted], Elm Grove, Wisconsin
W57-946 -- D[redacted] P[redacted], [redacted], Milwaukee, Wisconsin
W73-273 -- LAMPONE JEWELERS, INC., [redacted], Milwaukee, Wisconsin
X254 -- R[redacted] B[redacted], [redacted], Madison, Wisconsin
X19-263 -- PEPI'S ITALIAN RESTAURANT, [redacted], Milwaukee, Wisconsin
X19-982 -- D[redacted] W[redacted], Route [redacted], Box [redacted], Antigo, Wisconsin
X25-421 -- Z[redacted] M[redacted], [redacted], Milwaukee, Wisconsin
X28-524 -- J[redacted] R[redacted], [redacted], Racine, Wisconsin
X79-211 -- BENEDETTA BALISTRIERI, 3043 North Shephard Avenue, Milwaukee, Wisconsin
Y7909 -- A[redacted] C[redacted], [redacted], Milwaukee, Wisconsin
Y12-364 -- [redacted] F[redacted], [redacted], Milwaukee, Wisconsin
Y16-344 -- WHEELS, INC., [redacted], Chicago, Illinois
Y45-403 -- JOSEPH P. CAMINITI, [redacted], Menomonee Falls, Wisconsin
Y50-471 -- HOTEL MOTEL RESAURANT, [redacted], Milwaukee, Wisconsin
Y56-550 -- MILLER BREWING COMPANY, [redacted], Milwaukee, Wisconsin
Y79-751 -- A[redacted] D[redacted], [redacted], Milwaukee Wisconsin
Z516 -- NICK A. GLORIOSO COMPANY, INC., [redacted], Milwaukee, Wisconsin

Z12-966 -- J[redacted] L[redacted], [redacted], Milwaukee, Wisconsin

Z46-396 -- LEONARD J. DREWEK, 1634 North Jackson Street, Milwaukee, Wisconsin

Z82-002 -- P[redacted] G[redacted], [redacted], Milwaukee, Wisconsin

1973 Illinois Plates

AV6127 -- FERRANO CANDY COMPANY, 7301 West Harrison Street, Forest Park, Illinois

AS812 -- F[redacted] S[redacted], [redacted], River Forest, Illinois

BC839 -- EXECUTIVE AUTO LEASING/SERVICE AUTO LEASE, 6699 Lincolnwood, Lincoln, Illinois

1973 Plates

A28-508 -- S[redacted] C[redacted], [redacted], Milwaukee, Wisconsin

A7463 -- C[redacted] G[redacted], [redacted], Milwaukee, Wisconsin

A66-144 -- F[redacted] B[redacted], [redacted], Windlake, Wisconsin

A21-005 -- L[redacted] H[redacted], [redacted], Racine, Wisconsin

A58-001 -- L[redacted] E[redacted], [redacted], [redacted], Milwaukee, Wisconsin

A29-353 -- P[redacted] P[redacted], [redacted], Madison, Wisconsin

A38-717 -- ALIOTO'S RESTAURANT, INC., 3041 North Mayfair Road, Wauwatosa, Wisconsin

A93-510 -- C[redacted] G[redacted], [redacted], Oak Creek, Wisconsin

B27-867 -- J[redacted] F[redacted], [redacted], Milwaukee, Wisconsin

C6501 -- N[redacted] T[redacted], [redacted], Milwaukee, Wisconsin, on a 1970 Cadillac, 4 door, ID # J0231303

C31-082 -- E[redacted] G[redacted], [redacted], Milwaukee, Wisconsin, on a 1965 Mercury Stationwagon, ID # 5276Z554763

C36-378 -- R[redacted] C[redacted], [redacted], Milwaukee, Wisconsin

C45-444 -- MRS. F[redacted] A[redacted], [redacted], Wauwatosa, Wisconsin

C47-310 -- T[redacted] M[redacted], [redacted], Milwaukee, Wisconsin, on a 1968 Buick, 4 door, ID # 484398H164610

C50-001 -- H[redacted] S[redacted], [redacted], Milwaukee, Wisconsin

C51-399 -- W[redacted] V[redacted], [redacted], Milwaukee, Wisconsin

C56-904 -- F[redacted] B[redacted], [redacted], Milwaukee, Wisconsin

C57-635 -- M[redacted] P[redacted], [redacted], Milwaukee, Wisconsin, on a 1966 Cadillac convertible, ID # F6130920

D5653 -- S[redacted] B[redacted], [redacted], Milwaukee, Wisconsin

D8565 -- W[redacted] E[redacted], [redacted], Milwaukee, Wisconsin

E7864 -- D[redacted] Z[redacted], [redacted], Milwaukee, Wisconsin

E21-055 -- J[redacted] P[redacted], [redacted], Fox Point, Wisconsin

E37-698 -- ALIOTO'S RESTAURANT, INC., 3041 North Mayfair Road, Milwaukee, Wisconsin

E45-107 -- J[redacted] B[redacted], [redacted], Milwaukee, Wisconsin, on a 1971 Pontiac, 2 door

E52-540 -- M[redacted] C[redacted], [redacted], Milwaukee, Wisconsin

E56-510 -- M[redacted] O[redacted], [redacted], Milwaukee, Wisconsin

E57-184 -- [redacted] & T[redacted] M[redacted], [redacted], Milwaukee, Wisconsin

E57-943 -- A[redacted] S[redacted], [redacted], Brookfield, Wisconsin

E93-025 -- DR. ALFRED C. or R. C. MAGLIO, [redacted] Road, Milwaukee, Wisconsin

F260 -- V[redacted] or C[redacted] P[redacted], [redacted], Milwaukee, Wisconsin

F2048 -- J[redacted] [redacted] D[redacted], [redacted], Milwaukee, Wisconsin

F37-988 -- M[redacted] [redacted] W[redacted], [redacted], Milwaukee, Wisconsin

F48-108 -- J[redacted] A[redacted], [redacted], Milwaukee, Wisconsin

F64-377 -- J[redacted] N[redacted], [redacted], Milwaukee, Wisconsin

G4736 -- J[redacted] [redacted] P[redacted], [redacted], Milwaukee, Wisconsin

G26-344 -- M[redacted] B[redacted], [redacted], Milwaukee, Wisconsin

G40-189 -- F[redacted] [redacted] A[redacted], [redacted], Milwaukee, Wisconsin

G53-457 -- JOE ENEA, [redacted], Milwaukee, Wisconsin

G53-756 -- City of Milwaukee Fire Department, 711 West Wells Street, Milwaukee, Wisconsin

G56-085 -- J[redacted] U[redacted], [redacted], West Allis, Wisconsin

G57-399 -- J[redacted] G[redacted], [redacted], Milwaukee, Wisconsin

G73-014 -- J[redacted] M[redacted], M.D., [redacted], Wauwatosa, Wisconsin

G84-588 -- T[redacted] C[redacted], [redacted], Greenfield, Wisconsin

G95-147 -- A[redacted] M[redacted], [redacted], Milwaukee, Wisconsin, on a 1965 Oldsmobile

H4217 -- C[redacted] C[redacted], [redacted], Whitefish Bay, Wisconsin

H47-003 -- GREENHOUSE CARTAGE, [redacted], Milwaukee, Wisconsin

H61-842 -- M[redacted] & M[redacted] F[redacted], [redacted], Milwaukee, Wisconsin

H74-740 -- D[redacted] [redacted] A[redacted], [redacted], Wauwatosa, Wisconsin

J34-945 -- S[redacted] C[redacted], [redacted], Milwaukee, Wisconsin

J39-858 -- PETER F. PICCIURRO, [redacted], Milwaukee, Wisconsin

J48-318 -- T[redacted] [redacted] S[redacted], [redacted], Milwaukee, Wisconsin, on a 1963 Ford, four door.

J50-434 -- N[redacted] D[redacted], [redacted], Milwaukee, Wisconsin

J50-584 -- H[redacted] A[redacted], Route [redacted], Box [redacted], Saukville, Wisconsin

J68-477 -- ST. RITA CONGREGATION, [redacted], Milwaukee, Wisconsin

K13 -- J[redacted] [redacted] M[redacted], [redacted], Milwaukee, Wisconsin, on a 1963 Lincoln, 4 door

K20-391 -- A[redacted] [redacted] D[redacted], [redacted], Milwaukee, Wisconsin

K21-368 -- L[redacted] [redacted] D[redacted], [redacted], Shorewood, Wisconsin

K41-884 -- E[redacted] M[redacted], [redacted], Milwaukee, Wisconsin

K43-344 -- MANDELLA BOX & DISPOSAL COMPANY, [redacted], Milwaukee, Wisconsin

K57-073 -- E[redacted] E[redacted], Route [redacted], Prentice, Wisconsin

K65-130 -- A[redacted] G[redacted], [redacted], Milwaukee, Wisconsin

L223 -- W[redacted] R[redacted], [redacted], Milwaukee, Wisconsin

L4486 -- A[redacted] & S[redacted] B[redacted], [redacted], Milwaukee, Wisconsin

L51-003 -- [redacted], [redacted], Milwaukee, Wisconsin

L51-708 -- J[redacted] A[redacted], [redacted], Milwaukee, Wisconsin

L58-545 -- J[redacted] M[redacted], [redacted], Milwaukee, Wisconsin

L63-421 -- J. BALISTRIERI, [redacted], Milwaukee, Wisconsin

N3236 -- D[redacted] M[redacted], [redacted], Milwaukee, Wisconsin

N3265 -- G[redacted] B[redacted], [redacted], Milwaukee, Wisconsin

N4330 -- P[redacted] B[redacted], [redacted], Green Bay, Wisconsin

N10-453 -- S[redacted] A[redacted], [redacted], Madison, Wisconsin

N38-917 -- B[redacted] M[redacted], [redacted], Milwaukee, Wisconsin

N50-923 -- N[redacted] F[redacted], [redacted], Milwaukee, Wisconsin

N51-497 -- D[redacted] C[redacted], [redacted], Milwaukee, Wisconsin

N51-790 -- SELIG EXECUTIVE LEASING COMPANY, INC., 2510 South 108th Street, West Allis, Wisconsin

N51-924 -- J[redacted] L[redacted], [redacted], Milwaukee, Wisconsin

N57-368 -- F[redacted] C[redacted], [redacted], Milwaukee, Wisconsin

N58-824 -- JOSEPH BALISTRIERI, 1634 North Jackson Street, Milwaukee, Wisconsin, on a 1972 Chevrolet, 2 door, white over blue, ID # IN4752J291934

N60-003 -- WISCONSIN GAS COMPANY, 626 East Wisconsin Avenue, Milwaukee, Wisconsin

P38-884 -- F[redacted] D[redacted], [redacted], Milwaukee, Wisconsin

Q54-109 -- A[redacted] B[redacted], [redacted], Milwaukee, Wisconsin

Q85-450 -- JOSEPH CAMINITI, [redacted], Menomonee Falls, Wisconsin

Q98-718 -- P[redacted] H[redacted], Route [redacted], Box [redacted], Gilman, Wisconsin

R56 -- DEL CHEMICAL CORPORATION, W158N9332 Nor-X-Way, Menomonee Falls, Wisconsin

R10-361 -- A[redacted] T[redacted], [redacted], Port Washington, Wisconsin

R23-750 -- J[redacted] S[redacted], [redacted], Madison, Wisconsin

Dealer Plates

402 -- P[redacted] T[redacted] PONTIAC, INC., 2301 West Silver Spring Drive, Milwaukee, Wisconsin

202BW -- J[redacted] L[redacted] MOTOR SALES, INC., 3860 South 27th Street, Milwaukee, Wisconsin

202BZ -- J[redacted] L[redacted] MOTOR SALES, INC., 3860 South 27th Street, Milwaukee, Wisconsin

Veteran Plates

214 -- A[redacted] B[redacted], [redacted], Milwaukee, Wisconsin

RWL:ms

NEWSPAPER CLIPPING
DJ-DCI-43 (Rev. 7/79)

WISCONSIN DEPARTMENT OF JUSTICE
DIVISION OF CRIMINAL INVESTIGATION

Balistrieri built empire with threats, violence

First of a series
By MARY ZAHN and WILLIAM JANZ
Sentinel staff writers

Far from power and prestige, his todays aren't like his yesterdays.

He used to have hundreds of thousands of dollars lying around. Now he rooms with another man.

Working and playing all night, he used to sleep into the afternoon. Now he is required to get up at 6 a.m.

Commanding respect, he lived a life filled with people he ordered around. Now he is told when he can eat and when he can sleep.

Not long ago threats could be made, and money could be skimmed, and murders could be discussed, and crime was his business. Now he wears surplus military clothing.

Milwaukee's most famous gangster is federal prisoner No. 01877-045. At the age of 70, Frank Peter Balistrieri mops floors.

* * *

Nearly 25 years ago, Balistrieri declared that people must listen to him.

"Everybody knows that (or) they die," he said. "And they'll die, that's all there is to it."

He made that threat during a bugged meeting with criminal associates in an East Side office. He presided. The FBI listened.

"What I want to do is build up a bankroll for the family, for the whole family," he said.

Balistrieri, the most investigated man in state history, directed a powerful criminal organization that involved itself in gambling, extortion, stolen property and violence, according to federal officials.

Like anyone involved in big business, Balistrieri had production problems, and in a conversation with an associate he did some wishful thinking on how he could "take care of a lot of (them)": It would be nice, he said, to own a cemetery and crematorium.

The way Balistrieri operated his business caused a dispute with his father-in-law, the man who formerly operated the organization. The two of them shouted at each other as the older man pleaded for less bloodshed. That was after a meeting in which Balistrieri threatened to kill two men.

A reporter for The Milwaukee Sentinel learned of these conversations when she spent several months searching public records in Wisconsin, Illinois and Missouri.

She discovered hundreds of pages of previously unreported transcripts and memos and tape recordings made during the 30 years that federal, state and local officials investigated Balistrieri, electronically eavesdropping on him, his family and associates.

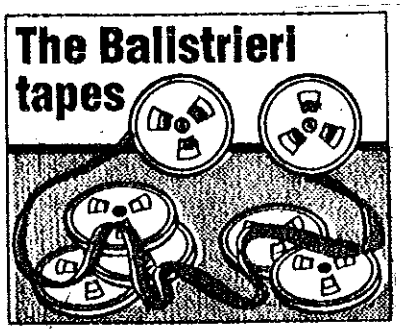
This series of stories — the most extensive ever done on organized crime in Wisconsin — is based on those records.

Officials spent millions of dollars investigating Balistrieri, a complex individual who once raised money for charity and used to be invited to picnics of the Common Council; a man who commanded attention, often respectfully attending weddings and funerals in his community; a man who had the telephone numbers of many influential people, including entertainers, important public officials, politicians and prominent union leaders.

"There are a lot of people, even in law enforcement who don't realize how important Frank Balistrieri was to the mob," said Gail T. Cobb, a former FBI agent who infiltrated the Mafia here.

Cunning and influential, Balistrieri

SEE PAGE 7 / BALISTRIERI



Blood spills out of mob's wars / See PAGE 5.

RECEIVED APR 26 1989

DATE Monday Oct 31 1988
PUBLICATION Milwaukee Sentinel
DCIR FILE NUMBER OC-1

COMMENTS Page 1 of 5.

NEWSPAPER CLIPPING
DJ-DCI-43 (Rev. 7/79)

WISCONSIN DEPARTMENT OF JUSTICE

BALISTRIERI / FROM PAGE 1

had business contacts in many cities, including Fort Lauderdale, Fla.; San Diego; Las Vegas, Nev.; Chicago; and New York City.

Joseph (Joe Bananas) Bonanno, one of the top bosses in the American Mafia in the 1950s and early '60s, visited Balistrieri in Milwaukee and discussed a problem Balistrieri had with a member of the Bonanno organization.

Referring to Bonanno, Balistrieri said, "He showed me power and I showed him respect."

Balistrieri's parents were Sicilian immigrants. His father was a cinder hauler and trucker.

Balistrieri was married in 1939, after he withdrew from classes at Marquette University. He went back to Marquette, but withdrew a second time in 1941.

He had different ideas about a career.

"My idol was Al Capone when I was a kid," he said in a 1980 recording. "That's a true story."

Records show that Balistrieri has been deeply involved in crime here since the 1950s, when his father-in-law, John Alioto, was reportedly in charge.

Electronic surveillance of Balistrieri apparently began in the early 1960s. Since then, federal agents recorded him discussing a broad variety of illegal activities, including murder.

In one tape recording, he talked about hijacked furs with Felix (Milwaukee Phil) Alderisio, an enforcer for the Chicago mob. Alderisio, who is dead, was one of the top men in the rackets in Chicago.

In other recordings, Balistrieri indicated he controlled vending machines and had taken a slice of the gambling here and in Kenosha for years.

He also had hidden interests in strip joints, restaurants and bars.

He was a criminal who never carried a gun, but always carried a threat.

In 1964, he was recorded threatening to kill August Maniaci, who didn't die by threat, but by gun in 1975.

FBI agents said he also threatened to kill Sally Papia, a successful local

F. Balistrieri

J. Balistrieri

Bonanno

Capone

restaurant operator who has friends in organized crime in Chicago and Milwaukee. Balistrieri threatened two employes of Papia, too, according to FBI agents and recorded conversations.

Balistrieri, who was never very successful operating restaurants, seemed to resent Papia's success, federal agents said.

During the past 40 years, Balistrieri knew most of the men who were murdered gangland style in this area, and had disagreements with some of them, according to records.

He was publicly linked in newspaper stories of the day to one of the area's most sensational gangland slayings.

In 1960, Balistrieri had an interest in a bar known as the Brass Rail. Isadore Pogrob, who weighed 370 pounds, managed it from the two bar stools on which he sat.

One night in January, according to the testimony of a police informant, Balistrieri took a phone call at one of his taverns, and then signaled to three men who were sitting at the bar by placing a forefinger beneath his left ear and drawing it across his throat. The men left.

Pogrob's body was found in a ditch in Mequon.

Judging from his conversations and the findings of investigators, Balistrieri's power and influence stretched into high places.

For example, he insisted he controlled Teamster trucking in Wisconsin, Cobb said.

Sometimes, after public officials sought support of the Teamsters in elections, Balistrieri was recorded discussing the candidates, and who he thought could help the family.

His associates contributed to the campaigns of numerous public officials.

Balistrieri also had close ties with some police officers and businessmen.

Nine years ago Balistrieri was recorded arranging for Las Vegas show tickets for a local police officer.

He bragged that he was notified when liquor licenses were changing hands and when some building permits were issued.

Balistrieri also claimed that he paid off police in Kenosha years ago.

In the 1960s, at one of his restaurants, Balistrieri several times feted an IRS agent who was investigating him.

Along with such evidence of his influence, records also contain numerous indications of the money his power brought him.

On a trip to Chicago, a woman traveling with Balistrieri found a grocery sack of money in the trunk of his car.

In one recorded argument over vending machine proceeds, Balistrieri threw $40,000 on the floor and told a Florida mobster that he wanted more money.

By 1980, John Balistrieri, a son of Frank, said that his family was worth $15 million and that it had interests in three restaurants and a hotel, which grossed $379,000 in one year.

Nevertheless, Balistrieri could be cheap. A small man, who patrolled his nightspots in high-priced suits purchased from the dapper side of

DATE Monday - Oct 31 1988

PUBLICATION Milwaukee Sentinel

DCIR FILE NUMBER

COMMENTS Page 2 of 5.

NEWSPAPER CLIPPING
DJ-DCI-43 (Rev. 7/79)

WISCONSIN DEPARTMENT OF JUSTICE
DIVISION OF CRIMINAL INVESTIGATION

the rack, he would order the most expensive wine, but wouldn't pay the bills, leaving them to his sons.

"He never once comes across with a nickel, not even a pretzel," his son, Joseph P., complained while being recorded in 1980.

And, after federal officials found $200,000 in a safe in a raid, Frank Balistrieri's wife, Antonina, was recorded as saying:

"I'm a little upset that he had all that .... I'm a little upset that I have to look at bargains and every time he gave me a $10 bill, he screams."

When agents raided the Balistrieri house, they found the following items on Mrs. Balistrieri's dresser: a prayer card, a small statue of a saint, a rosary and a police scanner.

During a later conversation that was taped, Mrs. Balistrieri talked about her loyalty, and her husband's failure to return it.

"I make him Jell-O every night," Mrs. Balistrieri said.

But that didn't stop Balistrieri from being a womanizer.

"Well, your father, when he has a new toy, he drops the old Raggedy Ann. And then you know what? When the chips are down and he goes back to the Raggedy Ann, and he thinks the Raggedy Ann is going to be affectionate with him. That's impossible."

Balistrieri had a more benign opinion of himself.

During the investigation that concluded with Balistrieri and his two sons being sentenced to federal prison, Frank was recorded talking about a local businessman.

According to Balistrieri, the man said, "The FBI keeps coming up. They wanna pinch somebody. They keep asking me about you. I said, 'You're a wonderful guy.'"

And Balistrieri replied, "Well, I am."

Balistrieri and his sons have denied the existence of such federally labeled groups as Mafia or La Cosa Nostra.

However, recordings showed 25 years ago that at meetings attended by Balistrieri, mobster terms were used that included the designations of soldiers, caporegime chiefs and consiligiere for the top adviser to the crime family.

As long ago as 1960, an FBI memo said:

"Balistrieri has been described as a lieutenant of what in some circles is known as the 'Italian organization' in Milwaukee, which group is said to coordinate criminal work in Milwaukee and arranges for its members to be available for criminal undertakings in any place in the country....

"The Milwaukee group may be under the direct supervision of a similar group in Chicago, which is headed by Anthony Accardo, who allegedly has attended meetings of the Milwaukee organization.

"It has also been alleged that Frank Peter Balistrieri's uncle, Frank Balistrieri, is among the leadership of the 'Italian organization' in San Diego. ... Another uncle, Peter Balistrieri, prior to his death in September 1958 in San Diego ... was also in a leadership capacity.... Another relative ... known as 'Big Jim' Balestrere is alleged to have headed the 'Italian organization' in Kansas City."

Frank Balistrieri was part of a big family. But it often wasn't a happy family.

Tuesday: A threat in Sicilian.

DATE Monday Oct 31 1988
PUBLICATION Milwaukee Sentinel
DCIR FILE NUMBER

COMMENTS Page 3 of 5.

NEWSPAPER CLIPPING
DJ-DCI-43 (Rev. 7/79)

WISCONSIN DEPARTMENT OF JUSTICE
DIVISION OF CRIMINAL INVESTIGATION

Blood spills out of mob's wars

By MARY ZAHN
Sentinel staff writer

Organized crime has long been part of Wisconsin's fabric, along with the inherent violence that comes with it, records show.

La Cosa Nostra gained a foothold nationally during Prohibition in the 1920s. Now, the organization is involved in everything from such traditional criminal activities as gambling, loan sharking, fencing and narcotics to new areas involving white-collar business schemes, authorities said.

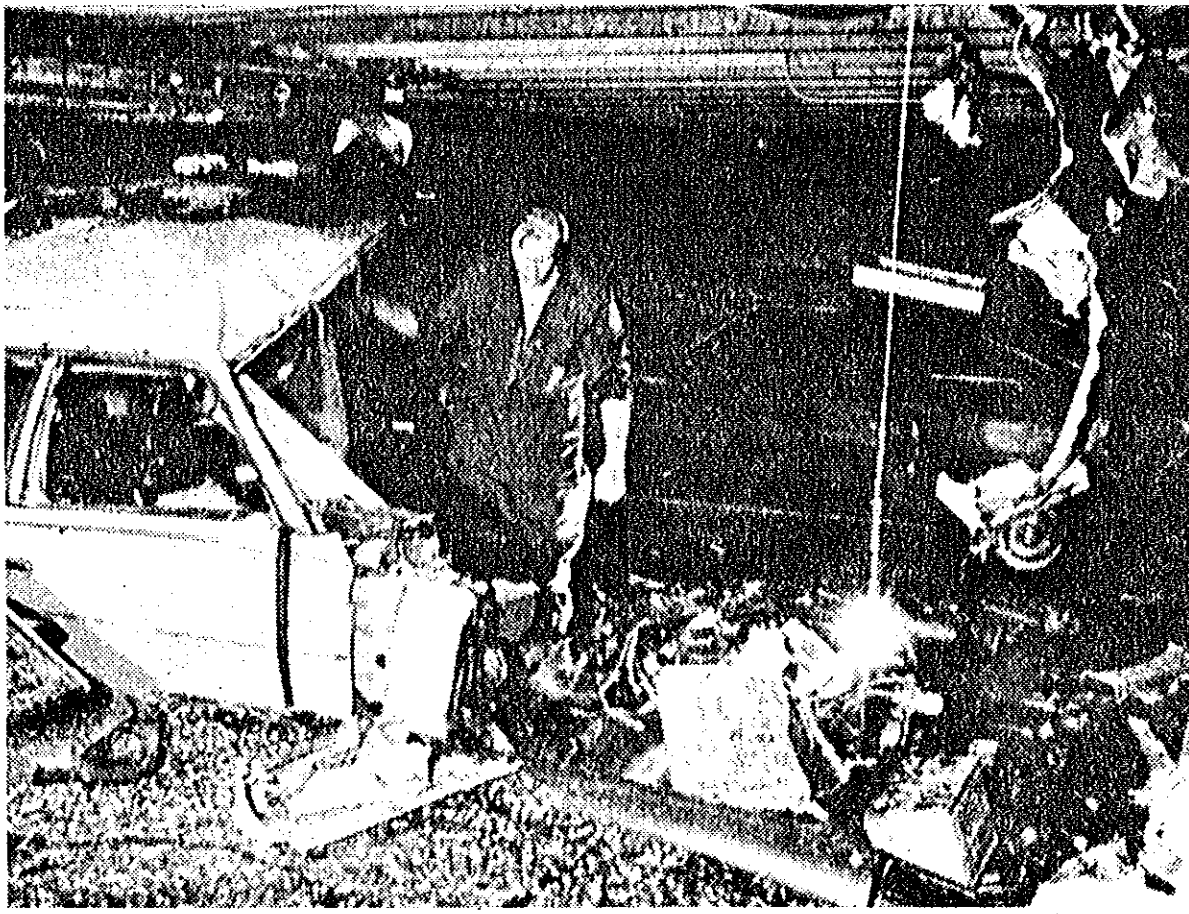
Here is a list of some of the gangland slayings and violence that have occurred here since 1928. The details are from newspaper accounts of the time.

Tony Kuzmanovich, 1928 — As Kuzmanovich, a saloon and restaurant operator drove home on W. Wisconsin Ave. at 3 a.m., a touring car with Illinois license plates forced his car to the curb. Two men stepped out and one fired a shotgun blast into Kuzmanovich's head. The shooting was blamed on an underworld beer war.

Jack Zuta, 1930 — Zuta, a member of "Bugs" Moran's Chicago gang, had been questioned by Chicago police in connection with the killing of Jake Lingle, a Chicago Tribune reporter. A few minutes after he left a Chicago police station, Zuta narrowly escaped an assassination attempt.

A few months later, rival gangsters found Zuta at a Waukesha County hotel. Zuta was watching dancers in the hotel's dance hall when six men with machine guns trooped in, ordered the patrons aside and shot Zuta to death.

Robert A. Wilson, 1932 — Wilson was lured by Kenosha tavernkeeper Frank Tylius to a farm near Lodi. Once at the farm, Wilson was beaten and tortured until he signed notes totaling $40,000. Tylius reportedly was behind in payments to two bootleggers. Tylius was arrested for the murder and hanged himself while awaiting trial.



Sentinel photos

A member of the police bomb squad (above) examines the remains of the car in which August Palmisano died in 1978 when a bomb exploded.

Joseph Dentice, 1932 — Dentice was wounded by four slugs from a shotgun as he sat in a barbershop. Four other people were injured by flying glass. The roots of that attempt apparently were in New York, where Dentice was wounded and a cousin killed two years earlier. Dentice said he had been threatened after identifying gangsters as the killers.

Cesare Cortese, 1936 — Cortese, a tavern operator, was hit with shotgun slugs as he walked toward the front of his tavern to answer a car's honk. Cortese survived and returned the fire with a pistol. Cortese, who distributed jukeboxes, insisted that the shooting resulted from his refusal to continue paying about $100 a month extortion.

Frank Consentino, 1941 — Consentino, a Kenosha bootlegger, was killed gangland style by two bullets fired from close range into the back of his head.

William (Red) Covelli, 1945 — Covelli was a Kenosha bootlegger and a friend of Consentino's. Covelli was killed by shotgun blasts fired at him from close range as he was about to enter his car and drive to a tavern he operated south of Kenosha.

Mike Farina, 1946 — Farina was killed by Louis Fazio, a local hoodlum, in revenge for the burglary of another mob associate's home.

John DiTrapani, 1954 — DiTrapani, 40, was found dead in his bullet-riddled car near 425 N. Van Buren St., by two cruising patrol officers. He had been shot six times with a .45-caliber pistol. Reports at the time indicated that the local leadership of the Mafia had been switching from an older to a younger group, and that DiTrapani may have been connected with the younger group.

Jack Enea, 1955 — Enea, a minor hoodlum, was found shot to death in a roadside ditch in rural Waukesha County. He had been taken for a ride, gangland style, and had been shot at least six times. In reporting his death, one newspaper article noted: "The Mafia is rarely spoken by name in the Italian district here and when it is mentioned, it is with guarded fear."

DATE Monday Oct 31, 1988
PUBLICATION Mil Sentinel
DCIR FILE NUMBER

COMMENTS Page 4 of 5

NEWSPAPER CLIPPING
DJ-DCI-43 (Rev. 7/79)

Police (below) prepare to move the body of August Maniaci after he was shot to death in 1975 behind his home.

Blackie (The Sieve) Sullivan, 1956 — Sullivan was nicknamed "The Sieve" because he survived three gangland attempts on his life. He finally succumbed to a medical condition related to the previous bullet wounds he had received. Underworld rumors at the time said Sullivan was a target because of attempts to "muscle in" on the Chicago slot machine syndicate. He was questioned by police here in connection with several violent crimes, including the murder of DiTrapani.

Isadore Pogrob, 1960 — Pogrob, who operated a Downtown tavern linked to Frank Balistrieri, was found shot to death in a Mequon ditch.

Anthony Biernat, 1963 — Biernat, owner of the Lakeside Music Co., a vending machine company, was abducted from his car by three men at the North Shore railroad depot in Kenosha and was beaten to death by his abductors. His body was found buried in a shallow grave in the basement of an unoccupied house on the grounds of the former Bong Air Force Base.

Louis Fazio, 1972 — Fazio, who served almost a dozen years in prison for the murder of Mike Farina in 1946, was shot to death outside his home. At the time, he was employed at his family's Downtown restaurant.

August Maniaci, 1975 — Maniaci, a small-time hoodlum, was shot to death in an alley behind his East Side home. Five .22-caliber bullet wounds were found in Maniaci's head. Federal authorities believe that Maniaci was a loser in a power struggle — stretching back to 1961 — over who would succeed John Alioto as boss of the Milwaukee Mafia. The winner in that struggle was Balistrieri, Alioto's son-in-law.

Vincent Maniaci, 1977 — Maniaci, the brother of August, was a federal prisoner at a halfway house here, serving time on extortion charges, when dynamite and an electronic detonator were attached to his 1969 Buick Electra. The dynamite was discovered when Maniaci drove to a garage to complain of car trouble. Authorities said loose wiring probably prevented the dynamite from exploding.

August Palmisano, 1978 — Palmisano, who ran a local produce company and tavern, was blown up when his car exploded in an underground parking garage. Palmisano, officials said, had been placed on the mob's troublemaker list for protesting too publicly about the attempted bombing assassination of Vincent Maniaci, a close friend. Palmisano's brother, Ted, was married to Balistrieri's sister, officials said.

DATE Monday Oct 31 1988

PUBLICATION Mil Sentinel

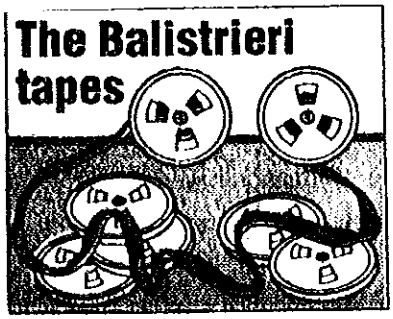
DCIR FILE NUMBER

COMMENTS Page 5 of 5

NEWSPAPER CLIPPING
DJ-DCI-43 (Rev. 7/79)

WISCONSIN DEPARTMENT OF JUSTICE
DIVISION OF CRIMINAL INVESTIGATION

Family feud erupted over Balistrieri's penchant for bloodshed



Second of a series

By MARY ZAHN and WILLIAM JANZ
Sentinel staff writers

It was a meeting about bloodshed. Frank P. Balistrieri wanted some. His father-in-law didn't.

After Balistrieri threatened to kill at least two men, he shouted at his father-in-law, who pleaded for a more merciful solution.

"*L'amazzari*," Balistrieri said in Sicilian, meaning, "I got to kill them."

The meeting was in 1964, when once again Balistrieri was upset with August J. Maniaci, a small-time businessman, pizza cook and sometime associate of Balistrieri.

Balistrieri's threats against Maniaci — which apparently were nothing new — were made at a meeting that included some of the top advisers in Balistrieri's organized crime family. The meeting was conducted mostly in Sicilian.

The sometimes joking, sometimes serious, sometimes emotional, sometimes wild meeting was tape recorded by the FBI.

The meeting ended after John Alioto, the former chief of organized crime here, commented on the business style of Balistrieri, Alioto's son-in-law and the current head of organized crime.

"I don't know why you're so anxious for blood," Alioto said.

Earlier in the meeting, speaking in Sicilian and English, Balistrieri said, "Let's talk about our soldiers. What a bunch of garbage that we've got. We really have a bunch of garbage. We have as good a family now as anywhere in the United States, but we still got garbage."

Referring to Maniaci and John Aiello, Balistrieri said, "At first, we had decided to leave them alone, as if God forgave them. To leave them alone again. For a while, they were like strangers. But, you know, I can't throw anybody out from our family. There is an order here, and I'm not going to go against that order. I can make who I want but I can't throw nobody out.

"So therefore I got to kill them. . . . So with these (Maniaci and Aiello) they're not worth the bullets. They're not worth a nickel worth of bullets. They are the cancer of this family in Milwaukee. They brag a lot, they tell everybody who they are. . . .

"And yet we try to keep them in line and they're telling everybody that they're making money. And that Vince Maniaci (the brother of August Maniaci), that's a real cancer. What am I going to do with that?"

At another point, Balistrieri said, "Augie Maniaci, I don't even want to bring it up anymore, and John Aiello."

Maniaci, who was 54 then, and Aiello, who was 48, were among eight people arrested in what police called a fraudulent home improvement ring in 1961. The local and state investigation of this scheme went on for several years.

Referring to Maniaci and Aiello, Balistrieri said, "We fight one way to keep our prestige, then these two come along to tear it down. So you see, we've got to maintain the family."

Balistrieri apparently spoke Sicilian as a sign of respect to the older men at the meeting, although he sounded more comfortable speaking English. Alioto was referred to several times as *zzu Vanni*, or Uncle John, another sign of respect.

> "I don't know why you're so anxious for blood."
>
> — **JOHN ALIOTO,** father-in-law of Frank P. Balistrieri

However, there weren't many signs of respect near the end of the meeting, when Balistrieri and Alioto, who reportedly often did not get along, shouted at each other.

During the argument, Alioto sounded emotional as he pleaded with Balistrieri in Sicilian and Balistrieri replied in English.

The recording did not reveal who Balistrieri was talking about when he said, "I'm going to give him a last warning."

"Frank, listen to me, if you respect me, forget about it," Alioto said.

"But he's got to pay," an unidentified man said.

"If somebody from Chicago comes in and tells you to do it, you do it," Alioto said. "If somebody from New York comes and tells you to do it, you do it. And there's no need to. I can handle it. I can do it."

"We been through this thing 100 times," Balistrieri said. "You think I'm going to forget it or swallow it? I don't see nothing to swallow."

"If you respect me, if you respect your father-in-law, please do me this big favor," Alioto said. "Do this for me, Frank.

DATE Tuesday Nov 1, 1988
PUBLICATION Milwaukee Sentinel
DCIR FILE NUMBER OC-1
COMMENTS Page 1 of 3.
RECEIVED APR 26 1989

NEWSPAPER CLIPPING
DJ-DCI-43 (Rev. 7/79)

WISCONSIN DEPARTMENT OF JUSTICE
DIVISION OF CRIMINAL INVESTIGATION

"You never did a goddamn thing for me," Balistrieri said. "You make up your mind one way or the other, because I'll show you who's close and who's not close. . . . I just want you to mind your own business the way you're supposed to mind your own business."

"I beg you like a son," Alioto said.

Noting that he was often criticized in newspapers, Balistrieri said, "You ever come up and say, 'You need anything, you want anything?'. . . It's your obligation to come to me, not me to you."

At one point, in the midst of shouts, Alioto said something about dying and Balistrieri shot back, "You're not going to die, *he's going to die.*"

"I don't know why you're so anxious for blood," Alioto said. ". . . Do it for me, do it for me. . . . I'm your father-in-law. You married my daughter, your kids are my grandchildren. . . . Do something for me, show you care."

Alioto also asked Balistrieri if Balistrieri thought Alioto was garbage.

"You've been for yourself all your life," Balistrieri said. "You never did anything for me."

Balistrieri said it was time to leave.

"I hope you open up your goddamn heart because you have no heart for me," Alioto said. "Think this through and you'll realize that your father-in-law was right."

At another meeting, at which Augie Maniaci was present, Maniaci seemed to refer to the fraud case against him.

"And you know, this is serious," Maniaci told Balistrieri. "I can get 15 years. I am charged with one count that I can get 15 years and there's seven of them. They can throw away the key if they want."

Apparently referring to another person involved in the fraud scheme, Maniaci said, "You know what I told him? . . . To keep you all out I'll take the rap for everybody. And you get out and you support my family, take care of them."

Maniaci once operated an East Side tavern with his brother, Vincent. Their father, Nunzio (Pop) Maniaci, was a widely known restaurant owner and leader in the Italian-American community.

Maniaci's explanation of his problems apparently didn't satisfy Balistrieri.

After Maniaci left the meeting, Balistrieri said, "I'll tell you something, I am very, very disgusted."

Balistrieri said Maniaci had told him Maniaci was afraid of the FBI.

"A true member of the family would just keep his mouth shut . . .," an unidentified man said.

Balistrieri then asked his consigliere (top adviser), whom he didn't name, to look into the matter involving Maniaci and Aiello and report back.

Besides the mortgage fraud case, Maniaci was the subject of another case. The case was No. 1794:

"DOB: 6/16/09. Date: 9/11/75, 8:30 a.m. Date-Time Injury: 7:20 a.m. Place Injury: Alley to the rear of 2121 N. Newhall St.

"Immediate Cause of Death: MULTIPLE GUNSHOT WOUNDS TO THE HEAD."

Two years after August Maniaci was murdered, an attempt was made on the life of his brother, Vincent. However, the dynamite attached to the engine of Vincent's automobile did not explode because the wiring was loose.

August Palmisano, who was a friend of Vincent Maniaci and who had had a heated argument with Balistrieri, was blown up in his car in 1978.

Balistrieri is serving a 13-year term in federal prison on extortion and other charges.

But not for murder. Or for talking about it.

Wednesday: A grip on gambling.

DATE Nov 1 1988

PUBLICATION Mil Sentinel

DCIR FILE NUMBER 86-1

COMMENTS Page 2 of 3

NEWSPAPER CLIPPING
DJ-DCI-43 (Rev. 7/79)

WISCONSIN DEPARTMENT OF JUSTICE
DIVISION OF CRIMINAL INVESTIGATION

Judge's career was filled with links to crime figures

In 1961, Hugh R. O'Connell, an assistant district attorney, issued charges involving forged mortgages against August Maniaci, John Aiello and six other men. Later, O'Connell's working file disappeared, and wasn't found for two months, which caused a controversy.

O'Connell

The charges were dropped at the request of Dist. Atty. William J. McCauley and O'Connell, who cited lack of evidence, although state officials continued the investigation.

McCauley and O'Connell said the file that had been missing did not affect their decision to ask for dismissal.

Later, advocating a get tough policy against organized crime, O'Connell was elected a circuit judge. He appointed Frank Balistrieri's son, Joseph, as a court commissioner.

Joseph and his brother, John, were sentenced to prison with their father. O'Connell died last year.

In 1975, two men who were being investigated, John J. Schlecter and Joseph Basile, were recorded discussing O'Connell. Schlecter, who had been arrested and had agreed to help investigators, was wearing a body recorder.

The district attorney's office issued prostitution related charges against a number of Balistrieri associates. In addition, Herbert Holland, who ran a massage parlor, was arrested on two counts of armed robbery and one count of endangering conduct regardless of life.

Sources said that Basile, in an attempt to have Holland's bail lowered, went to see Angelo Fazio, a Milwaukee restaurant owner who later was convicted of prostitution related charges. Fazio knew O'Connell, who set high bail for Holland.

Basile: "He's (Fazio) tried to get the bond cut down to $10,000 and O'Connell got off the bench."

Schlecter: "Did he?"

Basile: "Don't you know why you went in front of (Judge) Bjork? O'Connell stepped down. He wouldn't hear the case against you. He's one of the judges we've been talking to for 10 years. That's O'Connell. He wouldn't hear it. You know, I went to talk to Hugh and he says, 'Ah, I stepped down.'"

In a note that he sent to Reserve Judge Carl E. Bjork, O'Connell said he did not object to Bjork reducing Holland's bail.

DATE Tues Nov 1 1988
PUBLICATION Milwaukee Sentinel
DCIR FILE NUMBER OC-1

COMMENTS Page 3 of 3.

NEWSPAPER CLIPPING
DJ-DCI-43 (Rev. 7/79)

WISCONSIN DEPARTMENT OF JUSTICE
DIVISION OF CRIMINAL INVESTIGATION

Intimidation, force kept odds in Balistrieri's favor

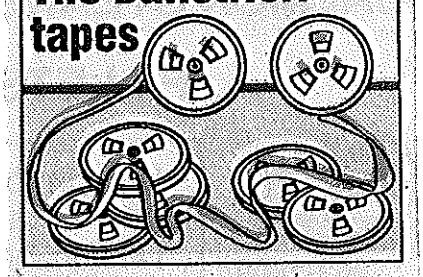
Third of a series
By MARY ZAHN
and WILLIAM JANZ
Sentinel staff writers

The kingdom of Frank P. Balistrieri wasn't built with bricks but with bookies, vending machines and persistent threats.

"Every once in a while you have to teach someone a lesson," Balistrieri said during one taped conversation.

An expert at intimidation through threats of murder and mayhem, Balistrieri was recorded during a dispute as saying, "It would be a sin to kill a friend of ours."

The Balistrieri tapes



Nevertheless, he said, if they were going to do it, they should do it immediately.

During several periods in the last 30 years, the FBI recorded the conversations of Balistrieri, who made his life a gamble and lost. He is serving a sentence of 13 years in federal prison.

In 1979, during a discussion with Frank Chovanec, a longtime Cudahy alderman who had worked at two of Balistrieri's nightspots, Balistrieri said he liked gambling, but narcotics "no way. . . . See, gambling I'm not adverse to."

Not when one of Balistrieri's employes would bring him $45,000 at a time; or when bookies in town took in as much as $47,000 a day.

Balistrieri's organization had one bet writer who carried $20,000 to $30,000 to work so the bookie could cash checks at American Motors Corp.

This bookie, Carl Micelli, charged "2% of the check for the service of cashing the check and also deducts the gambling debts owed to him by bettors," according to an affidavit filed in court when Micelli was sentenced to prison.

One of Balistrieri's bookies was 76 years old; another was a young married man who once turned in his bets early because he was taking his kids to the circus.

Balistrieri controlled or received cuts of much of the gambling here for many years, federal officials said.

During a meeting in 1964, Balistrieri apparently referred to the cut of gambling money he was receiving when he said, "The bookies were used to not paying. Now they have to pay."

Grand jury and John Doe investigations had been going on, and Balistrieri, sounding kindly, said, "There isn't a book in this town now that's making any money. . . . You see the papers about 15 to 20 of them are arrested. They got families to support. You've got to see to it that they live, that they eat.

"My problem is when things were good, they were good for everybody. Now things are bad, but they're bad only for me . . ..

"Some of the bookies are getting cute. If I tell them to do something, they don't listen. What does one do?"

An unidentified man said, "If they don't listen to you, you get a couple of boys, send them down there, and break their ass."

The reference apparently was to Kenosha, where Balistrieri had strong ties.

Twenty-seven years ago, in a memo to the Internal Revenue Service, an FBI agent wrote:

"Balistrieri sent three of his boys around Kenosha to take over all the gambling activities there. . . . They succeeded in taking over all of the Kenosha gambling ventures and left only one man with 10% of the business. . . .

"Originally this gambling business consisted of operating horse book and crap games."

cont.

DATE Wed Nov 2, 1988
PUBLICATION Milwaukee Sentinel
DCIR FILE NUMBER DC-1

COMMENTS Page 1 of 2.

RECEIVED APR 26 1989

The Balistrieri group "had a race wire line coming into Kenosha from Waukegan, Ill.," the memo stated. "This line was supposedly backed by . . . (a man) representing the Chicago syndicate and . . . a Waukegan hoodlum."

A Kenosha man allegedly handled police protection for the gambling operation, the memo stated.

"A source in Milwaukee advised that he had recently had an opportunity to observe the gambling operation in Kenosha, and that . . . (the Kenosha man) is actually operating the Kenosha gambling on behalf of Frank Balistrieri, who controls it; that this gambling is taking place next door to (a) restaurant."

The owner of the restaurant was receiving a portion of the take from the crap game in exchange for the use of his place, the memo stated.

"This same source went on to state that although . . . (the Kenosha man) actually supervises the dice game, Steve DiSalvo or Buster Balestrere usually drop in from Milwaukee to make certain that everything is going right."

In those days, Balistrieri also was concerned about vending machines, and his concerns sometimes upset him, judging from tape recordings of some meetings.

Balistrieri did not like it that a tavern run by Santo Marino had vending machines owned by Robert Puccio.

Balistrieri asked members of his crime family if Marino was family material. Answering his own question, Balistrieri said, "No, because he lied to me."

Mentioning Puccio, Balistrieri said, "He's OK. If I talk to Bob Puccio, Bob Puccio will listen to me.

"E iddu sa passa troppu buonu pi muoriri," Balistrieri said in Sicilian, meaning "he's doing too well for himself to die."

"Bob respects me. Bob listens to me," Balistrieri said, with a strong indication that Puccio would be hurt if he didn't.

Later, referring to the bar owner, Balistrieri said, "I don't think Santo (Marino) has the ability to be a soldier. And for me, it would be a sin to kill a friend of ours.

"If we're going to kill him, we're going to kill him right away. That's the best thing. . . . In my estimation, he does not deserve to be in the family."

> "If we're going to kill him, we're going to kill him right away. That's the best thing. . . . In my estimation, he does not deserve to be in the family."
>
> — FRANK BALISTRIERI

One of the elders present was designated to tell Marino not to make deals outside the family.

"Personally, I want to throw him out of the family, but I can't because some guy in Chicago likes him," Balistrieri said, indicating the Chicago mob, which often controlled actions of the Milwaukee mob.

"If he (Marino) gets caught in a lie, he dies," Balistrieri said.

Regarding other vending machine activity, a memo by an official of the Internal Revenue Service said that Sam Cooper, who worked for a local vending company, sold more than $20,000 worth of equipment to Balistrieri around 1964.

Cooper was a brother-in-law to "the slain Herman Paster, who formerly operated Paster Distributing Co., which was managed by Sam Cooper," the memo said.

Paster, 57, who often visited Milwaukee, was shot to death in October 1960 at his home in St. Paul, Minn.

"The shooting resulting in the death of Paster was done shortly after his return by plane from Milwaukee," police records said. "It was done as Paster sat in the den in the rear of his home from outside the back of the house, apparently by a .38-caliber revolver in the gangland manner."

In 1978, Balistrieri cautioned an undercover FBI agent that Cooper, who still sold vending machines in the Milwaukee area, had "no right" to offer any vending routes "to anybody without giving us the opportunity to buy it."

Paster "tried to expand and got too big and didn't have permission and was whacked," Balistrieri said, according to the FBI agent, Gail T. Cobb.

At the time, Balistrieri thought Cobb was trying to get into the vending machine business.

Referring to Cooper, Balistrieri reportedly said, "We're testing him to see whether he offers the routes to you. . . . He had no right to offer it to anybody without giving us the opportunity to buy it."

Cooper, who is now vice president of Pioneer Sales and Service Inc., a local vending machine company, said he had no comment on the matter.

Balistrieri decided to expand his vending machine business in Kenosha County in 1963, state officials said. Balistrieri sent DiSalvo and two other men to tell Anthony Biernat that they wanted a piece of his juke box business, officials said.

Biernat

Biernat told at least one person, officials said, that "there had been more than one visit and that he was concerned about pressures being put on him."

Biernat, 46, owner of the Lakeside Music Co., was abducted from his car by three men in January 1963 and was beaten to death by his abductors.

In 1986, a grand jury sought palm prints from DiSalvo as part of a continuing investigation into the Biernat slaying.

Another man, Anthony F. Pipito, who is in prison on drug charges, bragged to an FBI source that he was the first person to hit Biernat in the beating that killed Biernat. Pipito was an enforcer for the Milwaukee Mafia, federal officials said.

According to federal records, Pipito said the most exciting thing he had ever done was "to hold a shotgun under someone's neck and to pull the trigger."

Thursday: Free dinners for an IRS agent.

NEWSPAPER CLIPPING
DJ-DCI-43 (Rev. 7/79)

WISCONSIN DEPARTMENT OF JUSTICE
DIVISION OF CRIMINAL INVESTIGATION

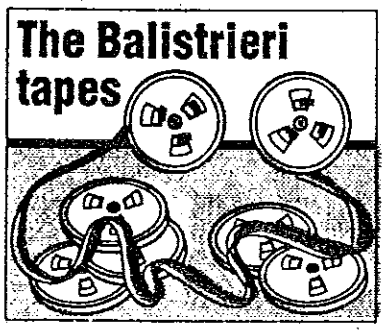
Balistrieri picked up dinner tabs for IRS supervisor

Fourth of a series
By MARY ZAHN and WILLIAM JANZ
Sentinel staff writers

As FBI agents secretly watched and listened to Frank P. Balistrieri practice his profession, his path through the underworld brought him in contact with a Runyonesque roster of criminals and characters.

It was no surprise to overhear him cutting deals with mobsters like Milwaukee Phil, who was said to have murdered at least 10 people.

And it was not unexpected to learn that his cronies included people like Doc, a devout gambler who was the



resident physician for Milwaukee's mob.

But it was a shock when FBI agents discovered that Balistrieri's dinner guests included an Internal Revenue Service supervisor who apparently had forgotten which side he worked for.

In the 1960s, Balistrieri, who was under investigation by the IRS, picked up restaurant tabs for the supervisor and his family and pumped him for information.

Confidential IRS reports on Balistrieri were turned over to this supervisor who had regular social meetings with Balistrieri, records show.

"The FBI called me one Saturday at my home," a former IRS agent recalled in a recent interview. "He said, 'I'd really like to have you go on surveillance with us. We think you've got a bad apple in the barrel.'"

The man seen meeting with Balistrieri was a supervisor in the IRS audit division, the FBI agent said.

"Every two weeks we had to report to the audit division, and I objected to it strenuously," the former IRS agent said. "I didn't want the information out as to anything we were doing or finding. I was burned up."

The IRS supervisor admitted meeting with Balistrieri, but denied passing on any information of value to him, records showed. After he was questioned about his meetings, he resigned.

In an affidavit, the supervisor said:

"Balistrieri told me that he was being investigated by the Internal Revenue Service. He asked me what he should do and wanted to know what was going on in the case.

"About a month later Balistrieri called me on the telephone and invited me to bring my wife to Gallagher's (a Balistrieri nightclub) to see the show.

"We went on a Saturday night. . . . Balistrieri came in after the first show and joined us at the table. During the course of the evening, and I think while my wife was away from the table, he asked me to find out for him how the case was going and what Internal Revenue was doing. He picked up the dinner check on this occasion."

At a second meeting at Gallagher's, Balistrieri paid for dinner for the IRS supervisor and the supervisor's wife and daughter, the man said.

"During this evening, while my wife and daughter were away from the table, Balistrieri asked me what was going on and I told him that (one of the IRS agents on the case) had been going to the banks."

Later, Balistrieri invited him to another meeting and this time the IRS man brought his wife, daughter and a friend. He told Balistrieri if he found something out about his case, he'd call him. He claimed that was the last contact he had with Balistrieri.

Several years later, after a long investigation, Balistrieri was sentenced to federal prison for a year and a day on income tax charges. He served slightly more than nine months.

In the 1960s, while visiting Chicago, Balistrieri was recorded in felonious conversation with Felix Alderisio, former Milwaukeean and former prizefighter who was then employed as the top enforcer for the mob in Chicago.

Sgt. Carl Menconi, of the Chicago Police Department, knew Alderisio. Menconi recently described him as gentlemanly. That was the good part.

Menconi added this: "His eyes looked through you. Ice. They would make you shiver."

On a cold day in January 1965, Alderisio and Balistrieri discussed what to do with a load of hijacked furs.

Alderisio: "Is the guy ready to do business?"

Balistrieri: "Yeah, I told him."

Alderisio (interrupting): "I'll take the load over to him."

Balistrieri: "For a big bill he says."

Alderisio: "They want to know. The guy has to come and look. He's gotta know if they're male or female (skins)."

Their conversation ended abruptly when the phone rang, and Balistrieri left Alderisio's office in Chicago, according to federal records.

When Alderisio, 59, died in prison in 1971, federal officials estimated that he had murdered 10 people and directed a team of killers who were responsible for many more murders.

As Balistrieri's importance in the mob became clear, the FBI began tape recording as much of his life as they could reach with their "bugs."

One of Balistrieri's regular haunts was then a Milwaukee restaurant, which federal surveillance logs referred to as a stop for "the strong arm group for La Cosa Nostra Milwaukee." Other visitors included people named Bananas Joe, Spaghetti Red and Doc.

DATE Thursday Nov 3, 1988
PUBLICATION Milwaukee Sentinel
DCIR FILE NUMBER OC-1

COMMENTS Page 1 of 2

RECEIVED APR 26 1989

NEWSPAPER CLIPPING
DJ-DCI-43 (Rev. 7/79)

WISCONSIN DEPARTMENT OF JUSTICE
DIVISION OF CRIMINAL INVESTIGATION

When Doc wasn't giving free medical advice to hoodlums in the restaurant, Doc's favorite spot was a phone booth there where he'd call in bets of hundreds of dollars. The physician died years ago.

Two men in the restaurant were recorded seriously discussing whether furs or jewels would bring the best return when they "knocked off" several places.

On another day, the owner of the restaurant was talking by phone to a person the transcripts don't identify:

"Was you out to see Frank? You meet my compadre Frank Balistrieri? Well what did he say? Did he ask about me? I was wondering if he asked about me. How is he, all right? We ain't doing nothing here. No. No. Frank's mad at me too. You talk to him? No, I mean lately.

"Was he good to you? Had a long talk with him, uh? Who did they kill? (An Italian name was mentioned, but the noise was too loud to identify the individual.) Ya. I know about that."

The owner was one of the last men to see Jack Enea alive, federal officials said. Enea's bullet-riddled body was found Nov. 9, 1955, in a ditch in Waukesha County. He was 49.

During his spotlighted career, Balistrieri often had people front tavern licenses for him, according to interviews and records.

In 1964, a retired man, Edwin C. Meissner, told IRS agents that he agreed to have his name on a liquor license for Balistrieri because Balistrieri had gone to high school with his children.

"I was supposed to be secretary or something like that there," Meissner told officials. "I signed all the checks, you know what I mean. They come in, the head bartender would bring them there, I would sign the checks for rent, beer, whisky, that there. They are all made out. I signed them. I never had a penny in the business. I never put up a penny . . .

"With them fellows (Balistrieri's associates), there was no meeting. It was like sitting around, like this bunch of gentlemen sitting over there, everybody talking. When something seemed to be serious they talked in Italian. I couldn't understand it."

Meissner said that he'd had Balistrieri's jukeboxes and pinball machines when he previously owned a bar.

Thirty years ago, Police Chief Howard O. Johnson alleged that Balistrieri owned five taverns "in whole or in part" and used dummy corporations in which relatives were listed as officers.

Over the years, Balistrieri, who had former tavern owners and relatives front for him, expanded his operations to include business contacts from Florida to California, federal officials said.

An FBI memo, dated Aug. 28, 1978, detailed some of these relationships and was based on a meeting attended by two undercover FBI agents:

"Also present at this meeting were Balistrieri's two sons, Joseph and John Balistrieri, Milwaukee L.C.N. (La Cosa Nostra) Capo Steve DiSalvo, Joe Dennis (believed to be identical to Joseph Dentice) brother-in-law of Frank Balistrieri," and a wealthy California businessman.

"Conversations between Frank Balistrieri and (the businessman) indicated Balistrieri was very well acquainted with and close to (former) Mayor Alioto of San Francisco."

The conversations also "indicated over the years (the businessman) has owned restaurants in (California), three of which he has had burned. He made large amounts of money on all of these fires and, in particular, the last one he made in excess of $250,000. (The businessman) currently has a restaurant and / or a large financial interest . . . in San Francisco. In addition, he owns several banks in California and has business interests in a large shopping mall in (Hawaii).

"From the conversations it was obvious he was extremely wealthy . . .

"Balistrieri indicated that he was extremely upset with . . . the individual who controls all vending machine operations in McHenry County, Illinois. (It is believed Balistrieri was referring to Joseph Amato, a Chicago LCN member.)

"Balistrieri stated (this man) worked with the Chicago outfit, was making a lot of money and taking care of them, but was not paying the proper amounts to Balistrieri.

"From the conversation it appeared that, although (the man) worked with the Chicago people, he answered to Balistrieri . . .

"Balistrieri discussed the fact that Jimmy Fazio owns 25% of the Gault Ocean Mile hotel in Fort Lauderdale. Balistrieri was promised 25% of this hotel and this promise had not been fulfilled. Balistrieri is extremely upset over this situation."

He also was upset over a measly $40,000 he received from a mobster in Fort Lauderdale.

According to the memo:

"Frank Balistrieri indicated he was having a problem with a 'wiseguy' in Fort Lauderdale, Fla., regarding vending machines. This individual is a member of the Gambino 'family' of LCN out of New York. Recently this individual met with Balistrieri and offered $40,000 in cash for some unexplained reason."

An angry Balistrieri said he would accept only $250,000, the memo stated.

Balistrieri became so upset over the paltry offering that he messed up the place, tossing $40,000 onto the floor as if it were a wad of old green paper.

Friday: Sally Papia, an archenemy.

DATE Thur Nov 3, 1988

PUBLICATION Mil Sentinel

DCIR FILE NUMBER Oc-1

COMMENTS Page 2 of 2

NEWSPAPER CLIPPING
DJ-DCI-43 (Rev. 7/79)

WISCONSIN DEPARTMENT OF JUSTICE
DIVISION OF CRIMINAL INVESTIGATION

Sally Papia target of Balistrieri ire, FBI agent says

Fifth of a series

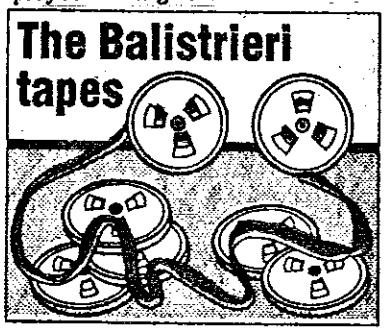
By MARY ZAHN
and WILLIAM JANZ
Sentinel staff writers

One of the people Frank P. Balistrieri reportedly yearned to kill was restaurant operator Sally Papia.

"He hated her," said Gail T. Cobb, an undercover FBI agent who infiltrated Balistrieri's organization.

Balistrieri, who headed organized crime here, threatened to kill Papia in the early 1970s, Cobb said.

And in 1980, Balistrieri angrily denounced Papia and two of her employes during conversations that



were secretly taped by the FBI. Balistrieri threatened to have the two men dumped on her doorstep.

"Every time somebody wants to be tough, they're not around anymore," Balistrieri said.

Papia, the operator of the popular Sally's Steak House, 1028 E. Juneau Ave., is known for her association with public figures, lawyers, union leaders and gangsters.

Apparently, it was her connections with underworld figures in Chicago that shielded her from Balistrieri's wrath.

Papia had no comment when told about the contents of this story.

According to federal officials, Papia bothered Balistrieri in a number of ways:

- She was a successful woman in a business in which he had never been successful.
- Balistrieri was concerned that under pressure she might talk to government agents.
- He didn't know ahead of time that an attempt would be made to torch a restaurant as a result of a dispute she had.

Cobb said Balistrieri's hatred of Papia apparently originated or was heightened while he was serving a prison sentence for income tax evasion in 1971 and '72.

"When he was in prison, Chicago sent up a guy to look after things while he was gone. There were some dealings. I don't know all what they were, but there were some dealings she pulled, and this other guy pulled, and he (Balistrieri) wasn't told about.

"Frank felt she should have been looking out for his interests. Frank wanted to kill her. Frank wanted a contract on her, and Chicago wouldn't let him. That was after he came out of Sandstone (federal prison)."

Frank Buccieri, a Chicago hoodlum, was frequently in Milwaukee during the time Balistrieri was in prison.

Papia had announced in 1970 that she and Buccieri were going to be married, but the wedding was called off.

Now in his late 60s, Buccieri is a roguish looking, tough man who also can be very likable.

A Chicago source said that he once saw Buccieri pay a restaurant bill for a man Buccieri didn't know when the embarrassed gentleman found he didn't have enough money with him.

"Hey, I've been there, I understand," Buccieri said.

Papia

Another time, the source said, he saw Buccieri use his fist to launch a man 20 years younger than he was. The man landed across the room.

Buccieri's brother, Fifi, a widely known Chicago loan shark, was recorded laughing about a man being hanged on a hook. That macabre discussion was quoted in the introduction to "The Exorcist," and set the tone for the horror that followed in the widely known best seller.

Balistrieri did not like the fact that Papia got involved with Frank Buccieri, Cobb said.

Cobb added, "He (Balistrieri) would sneer and comment about her in the same tone he used when referring to the FBI.

"On two of three occasions when her name was brought up, he was very sarcastic in his appraisal of her. He forbid one of his girlfriends to go into her restaurant. He didn't want his friends patronizing her (Sally)."

Another source of friction between Balistrieri and Papia was a 1974 arson at the Northbrook Inn, then a restaurant at 9601 N. 124th St. A former employe of Papia's was a partner in the Northbrook operation.

The fire in December 1974 was started without Balistrieri's knowledge, and he was furious that no one had told him in advance.

Joseph V. Basile, one of three men convicted in the arson plot, gave this account of Balistrieri's reaction during a taped conversation:

"The old man's hysterical. Absolutely hysterical. . . . Frankie Bal scooped me up with a pistol. He says, 'Why did you burn the joint down without telling me?'"

DATE Friday Nov 4, 1988
PUBLICATION Milwaukee Sentinel
DCIR FILE NUMBER OC-1

COMMENTS Page 1 of 2.

RECEIVED APR 26 1989

NEWSPAPER CLIPPING
DJ-DCI-43 (Rev. 7/79)

WISCONSIN DEPARTMENT OF JUSTICE
DIVISION OF CRIMINAL INVESTIGATION

Referring to Papia and the fire, Basile said, "She ain't got the clout to be doing this. It probably came through the back door with some friends of hers in Chicago, and it turns out her friends are calling Frank's and giving the ... details, and he don't like it.

"He's more concerned if people are trying to go around him."

Basile also said, "Now, they scooped me up with pistols. He (Balistrieri) says, 'I've gotta talk to you.' He says, 'I don't want to hear no (obscenity).'

"I was afraid to tell 'em. . . . I said, 'Well, I'm sorry I didn't tell you.'

"Every . . . time I turn around I'm in the back seat of a car. I can't . . . believe it," Basile added.

The fire at the Northbrook caused $7,000 damage.

It stemmed from a dispute between Papia and Kurt B. Amidzich, a former chef at Papia's restaurant. Amidzich owed Papia money, left his job with her and went into the Northbrook partnership.

An intensive investigation resulted in Papia being found guilty of extortion for threatening Amidzich.

Three of her associates — Basile, Maximillion J. Adonnis and Russell Enea — were found guilty of conspiracy to commit extortion.

Jacob J. Schlecter testified that he set fire to the Northbrook on orders from Basile. He also testified that Adonnis ordered him to take Amidzich to a garage where Adonnis and Enea could beat him. Schlecter was told by Enea to break Amidzich's wrists so he could never cook again, Schlecter said.

However, police broke up the plot.

Balistrieri's anger with Papia surfaced again in January 1980, after Papia was interviewed for a profile published in The Milwaukee Sentinel.

In a conversation taped after the article appeared, Balistrieri expressed anger with Papia and two men who worked for her.

Mentioning Jim Jennaro and Frank Trovato, whom Papia referred to as her bodyguards in the article, Balistrieri said, "I'll have to show 'em, you know, who is the tough guy.

"I told her I'd go out and drop both pimps, the pimp and the bodyguard right on the doorstep. The only reason I told her that, I'm not gonna do it right now."

In the 1970s, Jennaro was convicted of soliciting a prostitute, a charge that reportedly embarrassed him. He once worked for Balistrieri, but has managed Papia's restaurant since 1972. He is regarded as a likable man who is extremely loyal to Papia.

"He doesn't show me enough respect," Balistrieri complained.

Referring to the nine months and nine days he spent in prison on tax evasion charges in 1971-'72, Balistrieri said, "While I was in jail, Jim Jennaro screwed up, was cabareting, he was entertaining, drinking my whisky ... with his girlfriends ... chicken friends that he had over there and wheeling and dealing. ... Everybody thinks Jimmy's with me. ... He failed me, see?"

Jennaro had operated the Ad Lib, one of Balistrieri's downtown night clubs, from 1965 to 1972. The club booked well-known entertainers, then became a strip joint and in the early 1970s booked female impersonator dancers.

In June 1972, Jennaro became manager of Sally's Steak House.

"I gave him (Jennaro) the job," Balistrieri said in the 1980 recording, an apparent reference to Jennaro being hired by Papia. "And she wouldn't have hired him until I told her, 'Hire him.'.. Soon as I take my arms . . . off of him, Sally'll fire him.

"I took him off the banana truck and put him over there, and he hasn't been coming around, not even once."

Referring to Papia, Balistrieri said, "So . . . she comes down with another bodyguard ... and then I told 'em about it, and she says, 'Well, Jimmy Jennaro loves you. . . .'

"'Keep your . . . mouth shut,' I said, 'When I get in trouble, do I call on Jimmy Jennaro?' . . .

"He made all his contacts at the Ad Lib. When I was in jail he, ah, he abandoned me. No, I'm through with every, with, with everybody and I mean it, and I told my guys, too, either they go to work, no bonuses out, not after last year. . . ."

Balistrieri also indicated in the rambling conversation with his son, Joseph P. Balistrieri, that he was upset with Papia for hiring Trovato, who — like Jennaro — was said to be a friend of Buccieri.

As the conversation continued, Balistrieri's comments became increasingly fragmented and difficult to understand.

Near the end of the tape, Balistrieri suggested that Papia had wanted to join with him in an unspecified enterprise and that she had made some promises to an unidentified party.

"See, they either expect something from her, has promised something. Not that she would deliver, but with her big mouth, she'd implicate us."

Balistrieri apparently was still concerned about her, despite the fact that she had demonstrated a certain degree of toughness over the years.

Papia went to jail for 60 days under a work-release program on the Northbrook extortion charge, rather than talk to authorities about what she knew of the underworld.

And a few years earlier, her unflappability was documented when she was shot at while driving on an expressway here. Balistrieri was not involved in this incident.

Someone fired a shot which struck the rear door of her car. The gunshot was meant to scare her as a result of a business dispute, but she had too many associations here and in Chicago to be frightened then, she told friends.

The man who shot at her reportedly left town.

Saturday: A meeting of two Godfathers.

DATE Nov 4 1988

PUBLICATION Milwaukee Sentinel

DCIR FILE NUMBER OC-1

COMMENTS Page 2 of 2.

CASE ACTIVITY REPORT
DJ-DCI-25

WISCONSIN DEPARTMENT OF JUSTICE
Division of Criminal Investigation — Operations
123 W. Washington Ave.
Madison, Wisconsin 53703

Date: September 28, 1972

Case No.: OC-56

INVESTIGATORS: Special Agents Thomas J. Steingraeber and Harold S. Engelbart

SUBJECT OF INVESTIGATION: Interview Informant OCI-16

On Wednesday, September 27, 1972, Special Agents STEINGRAEBER and ENGELBART interviewed OCI-16. OCI-16 confirmed the information that Special Agent STEINGRAEBER had received from T[redacted] B[redacted] on September 8, 1972. (Reference OC-56-53) OCI-16 further stated that it was S[redacted] D[redacted] who had struck I[redacted] O[redacted].

OCI-16 states that E[redacted] C[redacted] and T[redacted] B[redacted] are both very shook up and concerned about their safety as a result of their being used in the gambling indictments of S[redacted] and P[redacted] D[redacted]. OCI-16 advised that E[redacted] C[redacted] had called LOUIS FAZIO and requested that FAZIO arrange a meeting between E[redacted] C[redacted] and T[redacted] B[redacted] with the D[redacted]. E[redacted] C[redacted] advised OCI-16 that he had called LOUIS FAZIO because FAZIO is "a member of the family" and E[redacted] C[redacted] is a close friend of FAZIO'S. MR. [redacted] further advised OCI-16 that he received a return call from a person he would only identify as a "member of the family" and was advised that everything was OK. This allegedly took place approximately two weeks ago when MR. C[redacted] was in the hospital.

OCI-16 states about one week ago he overheard a conversation involving E[redacted] C[redacted] and an unknown person at the CASINO BAR. E[redacted] C[redacted] was overheard to tell the unknown person that, "LOUIS and F[redacted] have a heat on." OCI-16 states he felt E[redacted] C[redacted] was referring to LOUIE FAZIO and FRANK BALISTRIERI. OCI-16 summized that the alleged argument between FAZIO and BALISTRIERI involves gambling.

Further, either E[redacted] C[redacted] or T[redacted] B[redacted] went to J[redacted] M[redacted] and asked J[redacted] M[redacted] to try and arrange a meeting with the D[redacted]. OCI-16 states M[redacted] is a "member of the family" and set up the meeting through LOUIE FAZIO. M[redacted] allegedly was heard to say that he arranged the meeting but the D[redacted] were plenty "pissed off."

When asked about the structure of the family that OCI-16 was alluding to, OCI-16 stated he has heard that FRANK BALISTRIERI was named to take over "the family" when JOHN ALIOTO recently died. OCI-16 is also heard that P[redacted] D[redacted] is currently the number three man in the local family. OCI-16 feels that P[redacted] D[redacted] is an extremely dangerous person.

OCI-16 has heard that S[redacted] C[redacted], P[redacted] and S[redacted] D[redacted], and the M[redacted] are involved with FRANK BALISTRIERI in some way in their gambling operation.

RECEIVED
OCT 13 1972
DCI CIC

TJS:ms
cc: OC-174
OC-35
OC-14
OC-1
OCI-16

OC-1-99

NEWSPAPER CLIPPING
DJ-DCI-43 (Rev. 7/79)

Top mobster Bonanno visited Balistrieri to discuss problems

Sixth of a series
By MARY ZAHN and WILLIAM JANZ
Sentinel staff writers

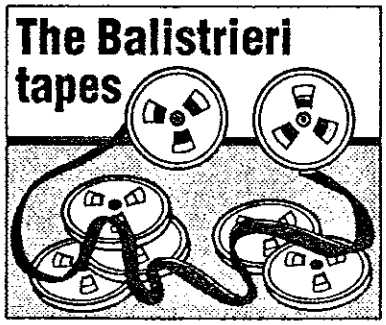
One of the top mobsters in America had problems that included Frank P. Balistrieri, and their dispute caused such bad feelings that the two men finally met in Milwaukee to discuss it.

Balistrieri's attitude was: "I run my town as I see fit."

In the 1960s, the sensational difficulties of crime boss Joseph Bonanno were on front pages of newspapers across the country.

Bonanno, known as Joe Bananas, was a rugged-looking, handsome New Yorker who picked up his suntans in Arizona and had an empire that reportedly had interests on several continents.

The government was after Bonanno, and so were other mobsters. Bonanno was reported kidnaped and murdered, but he showed up mysteriously after being gone for 18 months.



He came to Milwaukee in 1964 to talk to Balistrieri about a dispute between members of the two families during the turmoil before his disappearance.

But prior to that meeting, Balistrieri, head of organized crime here, met with a man identified as Pete, a soldier in the Bonanno family.

Balistrieri was upset with a relative of Pete, a member of the Bonanno family who had been causing Balistrieri problems. The dispute had gone on for nearly two years, which Balistrieri felt was disrespectful to him.

The FBI secretly taped the meeting. The dispute was the first matter of business:

Balistrieri: "First, we'll take up Mr. Bonanno's matter. Last time we were here, I was called to Chicago and told to do something with Mr. Bonanno.

"Well, I'm both disturbed and disappointed. ... See, I represent the family here, and there's a certain dissatisfaction with your brother-in-law, and naturally in Milwaukee the family comes first and everybody else is secondary. He could be my own brother, and if he doesn't go along with the rules, if he doesn't follow what the family dictates, then I can't help him either ...

"But your brother-in-law hasn't respected nobody ever since he's been in Milwaukee. He's done very well for himself. He has completely disregarded everybody, (and) anybody ... pertaining to the family, he has been aloof from. So, naturally, we — I granted permission to give this man a warning, and Mr. Bonanno interceded. ...

"And, at that time, I most courteously granted Mr. Bonanno the favor of, er, forgetting what had been started, with the understanding that I would be available to Mr. Bonanno at any place to talk again.

"Because, I mean, I never fight with Tucson, with New York. ..."

Bonanno had homes in New York and Tucson.

Balistrieri continued: "In your brother-in-law's case, I think that maybe since he got a clearance, his attitude, er, his demeanor is even worse than it was before. He completely disregarded everybody.

"I'd be here all night telling you things that he done, and I got quite disturbed about it. So I called Mr. DiBella. As a matter of fact, we had two or three conversations with Mr. DiBella."

[According to the FBI transcript of the meeting, Balistrieri was referring to John DiBella, who was in charge of the Grande Cheese Co. in Fond du Lac. DiBella was said to be "a very close friend" of Bonanno.

[Bonanno's wife, Faye, held 150 shares of stock in Grande Cheese at the time, but there was no indication if the cheese firm was at issue in the dispute.

[In a conversation taped after the meeting with Pete, Balistrieri said, "That cheese company in Fond du Lac ... belongs to Milwaukee, and it's under my jurisdiction."

Joseph Bonanno

[Officials said there was no indication that the current management of Grande Cheese was involved in organized crime.]

RECEIVED APR 26 1989

DATE Sat Nov 5, 1988
PUBLICATION Mil Sentinel
DCIR FILE NUMBER OC-1

COMMENTS Page 1 of 2

WISCONSIN DEPARTMENT OF JUSTICE
DIVISION OF CRIMINAL INVESTIGATION

Balistrieri continued his talk with Pete: "I'm sure that Mr. Bonanno doesn't want our family being mistreated here in Milwaukee. . . . First of all, I mean, being a family matter, I'm sure Mr. Bonanno has got enough intestinal fortitude to take the message.

"He said that if Mr. Bonanno can't handle the situation, that either he or his caporegime (a boss) — it's my understanding that Bill (Bonanno's son) is his caporegime — would take the matter into consideration and that they would give me some satisfaction."

As a result of Balistrieri's contacts with members of the Bonanno family concerning the dispute, he told Pete, "I marvel that you come here without any knowledge of what is going on. I'm completely disturbed. And I don't think that this family deserves such treatment.

"Now, I think I was very courteous; I think I was very generous in waiting this time. . . . And I think that the time is getting short on people's part."

Pete thanked Balistrieri for his courtesy. He said that Bonanno had had numerous problems recently. Pete also apologized for being unable to go into details involving Pete's brother-in-law and "give you the satisfaction that you deserve."

Balistrieri: "Well, I want you to understand this now. I really am disturbed. I think I deserve better treatment than that. . . . I run my family as I see fit. We made that friendship with you and I."

Pete: "It was in your father-in-law's place. I said to you that everything was straightened out and don't worry . . . and we thank you. I told my brother-in-law what I had to tell him. To go in a straight line.

"That's all the details I can tell you because . . . (someone) would say to me, 'You're not a caporegime, you're not a consigliere (counselor), you're not a boss.' Because I'm a soldier. You know that."

Balistrieri: "Nobody is going to tell me how to run my family. I mean the reason that I might have done something and then a guy could say, 'Well, Jesus Christ!' You know what I mean? . . . That's awful dangerous.

"I think that's not right to send, er, when I make a statement and then they misbehave. Then suppose I would have taken action?"

Pete: "If I had a title I could take the responsibility. But as I am, I can't settle anything."

Balistrieri: "The family comes first, Pete. . . . I mean since he left here the last time he just don't give a good god damn for nobody. He conducts himself even worse than what he has done before. His attitude hasn't changed. He's not bigger than us. We're not going to permit that. I'm sure Mr. Bonanno doesn't want that to happen in my town.

"I was willing to go to meet him (Bonanno). I was willing to abide my time. I'm sorry now, I did waste this much time. I think it's a sign of disrespect that when I give a message, that I have no answer. Now I'm sure if there was one of us that wasn't looking for friendship then I would have taken different action.

"As far as I'm concerned, this is the end. . . . I run my town as I see fit. That's it. I don't mean to be stern. I don't mean to give any ultimatums. But this thing has been going on too long without any satisfaction. I bent over backward to be nice, and I think I have been disrespected."

Pete: "Frank, for me I can't take this sort of thing up because it's not up to me, you know what I mean?"

Balistrieri and Pete argued over who was in charge, who was the caporegime, the captain, the "head pants," as Pete called him.

"Balistrieri: "As far as me hanging and waiting for Mr. Joe Bonanno to get ready to talk to me, I don't think I'm too receptive to that."

Another man in the room said: "I think you should wait for Mr. Bonanno, Frank."

Balistrieri: "I got troubles. Nobody has more troubles than I have. I feel very disturbed. . . . I'll tell you something, Pete. Your brother-in-law is in trouble over here!

"These messages aren't carried out the way they're supposed to do. I mean, that's pretty dangerous."

Pete: "I'm 61 years old. If I'd worry about these dangers I'd go and drown myself. I got my superiors. I can't go over their heads. . . ."

After Pete left the meeting, Balistrieri said that if Bonanno came to talk to him he would refer him to a meeting with Chicago mobsters.

However, at a later meeting that was also tape recorded, Balistrieri reported that Bonanno had stopped in Milwaukee to see him.

Mentioning that Bonanno was at "Angelo's house," Balistrieri said: "He made no gesture to talk to me. He just kept on talking and then it got late.

"We went in like a little room and Mr. Bonanno talked for at least 20 minutes. He told us everything, but what we wanted to talk about. After he spoke 20 minutes, Mr. Bonanno said 'I never use the word tired, but I'm tired from speaking so long.'

" 'I said, 'You've been speaking for four hours and now that I wanted to say something, you're tired.'. . . I said, 'I'm not satisfied.'

" 'Well,' he says, 'I'm tired. I'd like to postpone this thing until another time.'. . . He don't want to talk about it. I gotta go back to Chicago and tell them what happened, see? When I go back and tell Chicago what happened they don't like it too much."

[Bonanno eventually was removed from the national commission of the Mafia as a result of his independent attitude, according to federal officials. Sam Giancana, who was on the commission, was the mob boss in Chicago and Balistrieri's boss.]

Referring to Bonanno, Balistrieri said, "Under the circumstances he didn't fool me, nor was I impressed by him. However, the respect that you pay a boss and the courtesy, I gave it to him. . . ."

"He showed me power, and I showed him respect."

Meeting adjourned; further meetings at the call of the chair.

Monday: Campaign contributions.

DATE Sat Nov 5 1988

PUBLICATION Mil Sentinel

DCIR FILE NUMBER OC-1

COMMENTS Page 2 of 2

NEWSPAPER CLIPPING
DJ-DCI-43 (Rev. 7/79)

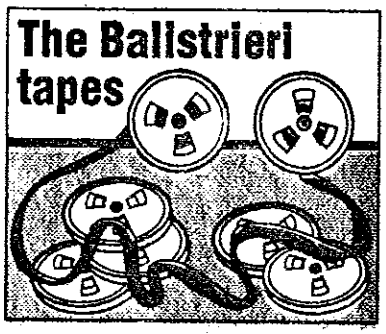
Undercover agent was target for Balistrieri's hit men

Ninth of a series
By MARY ZAHN and WILLIAM JANZ
Sentinel staff writers

An undercover FBI agent who intruded in the business of Frank P. Balistrieri nearly lost his life as part of the transaction.

And mobsters laughed about how close Gail T. Cobb came to being killed.

Referring to his attempt to establish a working relationship with Balistrieri, who headed organized crime here, Cobb said, "Had I known it would have gone as far as it did, I wouldn't have taken the job."



While he was undercover in Milwaukee, an associate of Balistrieri was dynamited to death and Balistrieri decided to kill Cobb, Cobb said.

In June 1978, when Cobb was trying to become a mobster in the vending machine business here, August S. Palmisano, 50, was murdered by explosion.

"It got my attention," Cobb said.

Palmisano was killed when he started his car, which was hooked to explosives. Cobb had met Palmisano briefly, but recalled no conversation with him.

"I knew it was unrelated to me," Cobb said of the bombing.

However, Cobb told Benjamin (Lefty) Ruggiero that he was concerned that people were being blown up. Ruggiero told him not to worry, Cobb said.

Nothing would happen to Cobb because Cobb was "with them," Ruggiero said, meaning the New York mob family to which Ruggiero belonged.

While undercover, Cobb depended on Ruggiero, a friendly, easygoing, likable man who told Cobb he had murdered his daughter's husband.

One thing was wrong with Ruggiero's reasoning that Cobb was safe: Balistrieri initially did not know that Cobb, who was trying to set up a vending machine business here, had the protection of the New York mob, Cobb said.

Three men were assigned to kill Cobb and they followed him around, but Balistrieri called them off when he found out Cobb was approved by the New York mob, Cobb said.

As a result of Cobb's undercover work and recorded conversations obtained by the FBI office here, Balistrieri and his attorney sons, Joseph and John, were convicted and sent to prison on charges relating to extortion in the vending machine business.

Cobb wasn't the first undercover agent whom Ruggiero had inadvertently befriended. A member of the Bonanno mob in New York City, Ruggiero had previously made friends with agent, Joe Pistone, who infiltrated the Bonanno family. Pistone introduced Ruggiero to Cobb, indicating Cobb could be trusted.

"I told him (Ruggiero) I was opening a vending business in Milwaukee and he says, 'Who's sponsoring you?' " Cobb said. "I said, 'Nobody's sponsoring me.' He said, 'You can't do that.' He said, 'Either they'll throw you out of there, or they'll kill you.' "

After checking with his New York bosses, Ruggiero was authorized to help Cobb get permission from Balistrieri to open a vending machine business in Milwaukee. The New York mob wanted a cut of the profits, Cobb said.

An introduction to Balistrieri was arranged through a Mafia family in Rockford, Ill., Cobb said. While waiting for the arrangements to be finalized, Cobb said, he and Ruggiero were told to stay at a Milwaukee area hotel and wait for a phone call.

After they waited about a week, a meeting was held at Snug's, 1962 N. Prospect Ave., a restaurant owned by Balistrieri's son, Joseph.

Cobb, who used the name Tony Conte in his undercover role, recalled how the meeting opened: "After about a minute — it felt like half an hour — Lefty was told to introduce his friend (Cobb)."

Balistrieri "was sitting directly across the table and we were about to shake hands, when Lefty says, 'Tony Conte.' And Frank brings his hand back.

"'Tony Conte?' he says. 'We've been looking for you all week.' He said, 'We were going to hit you. You've got the white Cadillac, an apartment in Greenfield, a store office out on Farwell. . . .' He knew the whole thing."

Cobb was going to be killed because he was intruding in one of Balistrieri's businesses without permission, Cobb said. Balistrieri had been in Fort Lauderdale, Fla., because he didn't want to be in Milwaukee when Cobb was killed, Cobb said.

"What happened, I guess, they just told Frank, 'You have got to come back, these (New York) people are still waiting,' " Cobb said.

"He didn't realize that the Tony Conte he was going to kill was the Tony Conte involved with the New York people. If I hadn't been in the hotel, I think I would have been whacked," Cobb said.

Cobb thought it was an ironic coincidence that the men Balistrieri allegedly asked to kill him had trailed him to a meeting with Balistrieri, Cobb said. Balistrieri waved the hit men away, Cobb said.

DATE Wednesday Nov 9, 1988
PUBLICATION Milwaukee Sentinel
DCIR FILE NUMBER OC-1

COMMENTS Page 1 of 3

RECEIVED APR 26 1989

Later, when Cobb was in his car with some hoodlums from Rockford, he was told how lucky he was that he wasn't killed.

"They're tying up Milwaukee, Rockford, Chicago, New Jersey and the New York mob," Cobb said. "Tying it together in a conspiracy. They're talking about the fact that he (Balistrieri) was going to kill me."

The mobsters were laughing and having a good, incriminating time that didn't send them to prison, because a tape recorder in Cobb's car malfunctioned, Cobb said.

At a hotel here, Ruggiero's wife and a friend talked about Cobb nearly getting killed.

"Louise, Lefty's wife, was a nice Italian girl, non-Mafia background whose family disowned her when she married Lefty," Cobb said. "But she was not sympathetic to the mob.

"Mary Elena (Louise's friend) was raised with the mob. . . . There were several members of her family that were captains and bosses in New York.

"I came in and they said, 'Tony, what happened?' And I said, 'If Lefty wants you to know, he'll tell you.' So he came in and they said, 'Lefty, what happened?'

"He started laughing. He said, 'They were going to kill him. If he wasn't here with us, he'd be dead now.'

"And Louise was upset and said,

August S. Palmisano

'You're all animals. You were going to kill him and not even warn him or anything.' She went in the room and slammed the door and Lefty's laughing at her.

"Mary Elena said, 'Louise is right. They should have warned him first. They shouldn't hit him without warning him. If they warn him and then he doesn't do it, then they should hit him.' "

Mary Elena was for proper procedure.

Tall, slender, rugged-looking, frequently talking in street slang, Cobb sometimes seemed to enjoy acting as a hoodlum. But being forced to contemplate his own death wasn't one of those times.

At their first meeting, Cobb heard Balistrieri refer to Palmisano and say, "He called me a name to my face. Now they can't find his skin."

An FBI informant said that he heard Palmisano and Balistrieri arguing about Balistrieri hiring a relative Palmisano had wanted to hire.

Balistrieri told Palmisano he would "make chopped meat of you" and "write your name in blood," the informant said.

Cobb mentioned another threat that was made when Frank Balistrieri; his brother, Peter; Steve DiSalvo, a close associate; Ruggiero; and Cobb were at the Peppercorn restaurant, which was operated by John Fazio.

"Steve took John in the back and threatened him," Cobb said. "See, Frank had been wanting a piece of the Peppercorn and John wouldn't give it to him. So he (DiSalvo) took him in the back and said, 'You know what happened to your brother.' "

Louis Fazio, a former associate of Balistrieri who had served nearly a dozen years in prison for a gangland slaying, was shot to death outside his home in 1972.

"Five times .38," Balistrieri once said during a conversation in which he laughingly described to another undercover agent the multiple gunshot wounds that killed Louis Fazio.

His body was found next to his car in which a bright red ribbon was tied around the rear-view mirror. Some Sicilians wear red or tie red cloth to objects in their homes and cars to keep evil away.

The ribbon hadn't helped.

Not knowing DiSalvo had just threatened John Fazio at the Peppercorn, Cobb inadvertently added to the threat.

"John comes walking up to me, and just to make conversation — his son is tending bar — and I said, 'John, you've got a nice kid there. You ought to take care of him, watch out for him, make sure nothing happens to him.' "

Cobb said Fazio looked as if "he died. So now John is thinking I am saying I'm going to kill your kid."

Unfortunately, it was a threat that the Fazios lived with for a while.

During the vending company negotiations, Cobb met with Joseph and John Balistrieri, who drew up an option that would permit them to purchase 50% of his company at some future date, Cobb said.

Joseph Balistrieri told Cobb not to put the agreement in a safety deposit box but use a more convenient depository, which Joseph suggested could be a pipe in Cobb's basement, Cobb said.

The contract was designed to hide their father's interest in the company and to allow them to take over in the future, Cobb said.

"Joe was into it up to his butt," Cobb said. "So was John. Joe was . . . too much splash, too much social, too much concerned about his personality, very egotistical, very well liked.

"See, ordinarily he would have taken Frank's spot, but he isn't built that way, so John is going to be next in line. John is Frank Balistrieri over exact. John was always in the backseat. Joe was always the one out in front, but Joe made sure John was asked, 'Is this OK.' Joe wrote out the contracts, but he had to run them by John."

Frank Balistrieri, who had a big ego, enjoyed the possibility of doing business with a New York family, Cobb said.

"One of the things that used to gripe the hell out of Balistrieri," Cobb said, "was the fact he felt himself a czar of Las Vegas and he couldn't even go to Las Vegas," where for years he had had business deals in which he received skim money.

NEWSPAPER CLIPPING
DJ-DCI-43 (Rev. 7/79)

WISCONSIN DEPARTMENT OF JUSTICE
DIVISION OF CRIMINAL INVESTIGATION

"There's a law in Las Vegas which they enforce. If you go to Las Vegas and you're a convicted felon you have to report to the police and say, 'I'm here.' As a result, the mob says, 'You guys with convictions will not go to Las Vegas.'"

Balistrieri, who had served time for tax evasion, was so upset with the Las Vegas law that "smoke would come out of his ears," Cobb said. Occasionally, Balistrieri would use an assumed name and go to Las Vegas, Cobb said.

Cobb had problems with cops, as well as robbers.

"He didn't realize that the Tony Conte he was going to kill was the Tony Conte involved with the New York people. If I hadn't been in the hotel, I think I would have been whacked."

— **GAIL T. COBB,**
undercover FBI agent

When Cobb was fingerprinted for a vending machine license under the name of Tony Conte, he forgot that he had been fingerprinted years ago after applying for a job under his real name.

Cobb was called into the police department and a vice squad officer asked him to explain why there were two sets of the same fingerprints — one for Tony Conte and the other for Gail T. Cobb.

"I'm thinking, 'I'm going to blow the whole thing now,'" Cobb said. "I spent probably 20 minutes saying, 'I don't know who Gail Cobb is, I don't know what you're trying to pull here, I don't know what's going on.' And he's not buying it."

Finally, Cobb asked to see Police Chief Harold A. Breier. Cobb explained the situation to Breier and Breier assured him that everything would remain confidential, Cobb said. Breier put the two sets of fingerprints in a safe in his office.

With his secret locked up, Cobb returned to his mobster job, which was sometimes highly unsettling.

For example, Ruggiero once warned Cobb that Balistrieri might order Cobb to kill someone before he would be accepted in the Milwaukee mob.

"Don't you worry about it," friendly old Ruggiero said. According to Cobb, Ruggiero said he would do the killing and give Cobb the credit.

That's the world in which Cobb worked: Palmisano dead, Louis Fazio dead, Auggie Maniaci dead, and his brother, Vincent, lucky to be alive.

In 1977, two years after Auggie was murdered, an attempt was made on the life of Vincent, whom Balistrieri also didn't like. However, loose wiring prevented dynamite from exploding in his car.

When a cop asked Vincent if he knew who attached dynamite to his car, he shrugged.

"Kids," he said.

Thursday: The roots of power.

DATE Nov 9, 1988
PUBLICATION Mil Sentinel
DCIR FILE NUMBER 8C-1

COMMENTS Page 3 of 3.

NEWSPAPER CLIPPING
DJ-DCI-43 (Rev. 7/79)

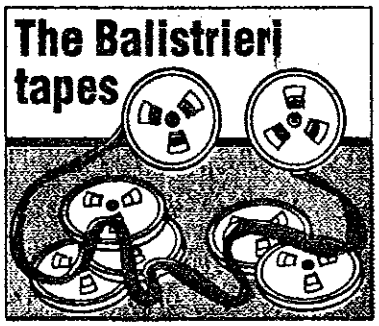
Power enabled Balistrieri to make huge mistakes

Tenth of a series
By MARY ZAHN
and WILLIAM JANZ
Sentinel staff writers

Frank P. Balistrieri had power: The power to influence multimillion-dollar loans, the power to name union leadership and the power to make mistakes, a power he exercised until it sent him to prison.

In regard to union leadership, he selected an undercover FBI agent to lead a local union.

And in regard to influencing loans, a man Balistrieri helped get a $62.7



million loan from the Teamsters Union later testified against Balistrieri.

Balistrieri, who headed organized crime here, controlled trucking in Wisconsin and Upper Michigan, Gail T. Cobb, a former FBI agent, said Balistrieri told him.

"He said,'You know any place there's trucking, we have (vending) machines in there, because I control trucking,'" Cobb said in an interview.

Balistrieri demonstrated his union power during a discussion with Phil L. Valley, who was business manager of Local 122 of the Hotel Motel Restaurant Employes and Bartenders Union, Cobb said.

Referring to Valley, Balistrieri told Cobb, "This is the guy whose place you're going to take in the union."

"Right in front of the guy," Cobb said. "It was like saying, 'Hey, you're out, pal.'"

This was 1978, when Cobb was masquerading as a hoodlum named Tony Conte, who impressed the Balistrieri family.

One of Balistrieri's sons, John, was recorded as describing Conte as "one of those 1956 hoodlums, you know, he thinks he's George Raft. He's the kind of guy who'll walk in a stop and he'll say, 'Hey, we're putting our stuff in here.'"

However, Conte, like everyone else, deferred to Frank Balistrieri. If a group was at a table talking, "as soon as Frank came in and sat down, you shut up," Cobb said.

Benjamin (Lefty) Ruggiero, a New York hoodlum who befriended Cobb, gave Cobb an even more emphatic assessment of Balistrieri's clout: "Let me tell you something, this . . . town is afraid of him."

For his part, Balistrieri was not modest about his authority: "This is not an idle promise, my friend, you'll become union president," Balistrieri told Cobb.

Valley, who died at the age of 90 in 1986, retired as business manager in 1984. Valley had been friends with Balistrieri for years and promoted a boxing match with him in 1950 that attracted more than 12,000 people.

In 1960, it was alleged in testimony before a Senate subcommittee that Valley had ties to Frankie Carbo, an underworld boss in Philadelphia. Valley knew Carbo, but had no business dealings with him, Valley said.

Valley was an international vice president of the Hotel Motel Restaurant Employes and Bartenders Union. Balistrieri also was close to the international union, federal officials said.

In 1985, the President's Commission on Organized Crime named the international union as one of the "bad four major unions — dominated by the La Cosa Nostra Crime Syndicate and its auxiliaries and allies."

Another of the bad four was the Teamsters Union.

During testimony that same year, Allen Glick, a Las Vegas businessman, said that Frank Ranney, a trustee for a Teamsters' pension fund, had told him, "If I was interested in pursuing the financing with the Central States Pension Fund that I should meet with Mr. Frank Balistrieri. He said Frank Balistrieri was a friend of his and that he was a very influential individual as far as the pension fund was concerned."

Ranney became secretary-treasurer of Teamsters Local 200 here in 1951, a position he held until 1971.

The Balistrieri-Ranney relationship goes way back, even before a 1958 business venture in which each held 30% stock in a company that sold guns — plastic toy bubble guns. The two men once attended a toy show in New York City, when Balistrieri was into toy guns.

Former Teamster President Jimmy R. Hoffa — whom Balistrieri indicated he knew — appointed Ranney a general union organizer in Wisconsin in 1962. Active in civic affairs, Ranney had been on the Milwaukee Common Council's pension study committee, the Governor's Commission on Human rights and the Milwaukee Board of Harbor Commissioners.

Glick took Ranney's advice, talked to Balistrieri, and later received union approval for a loan of $62.7 million. He bought interests in Las Vegas hotels, and Balistrieri received skim money from the casinos.

Joseph Balistrieri, Frank's other son, also had dealings with Ranney and played a role in his father's various financial transactions, federal officials said.

In 1970, a US attorney filed a report which stated that Balistrieri obtained a $125,000 loan from a Milwaukee bank after Ranney told the bank that a large Teamster deposit would be made if the bank granted a loan to Frank Balistrieri, through his son, Joseph.

A $500,000 deposit from the Pension Fund was made Sept. 10, 1968, and a $125,000 loan was made to Joseph Balistrieri the same day, the report said. That loan had been denied previously by the bank.

DATE Thursday Nov 10, 1988
PUBLICATION Milwaukee Sentinel
DCIR FILE NUMBER JC-1

COMMENTS Page 1 of 2.

RECEIVED APR 26 1989

NEWSPAPER CLIPPING
DJ-DCI-43 (Rev. 7/79)

WISCONSIN DEPARTMENT OF JUSTICE
DIVISION OF CRIMINAL INVESTIGATION

Hoffa was murdered in 1975, but his body was never found. Elected president of the Teamsters in 1957, Hoffa was indicted on jury tampering charges, found guilty and sentenced to eight years in prison in 1964.

Concerned about Hoffa's convictions, Balistrieri — according to a transcript of a recording — discussed the case with Joseph Caminiti, a close associate:

Balistrieri: "He's (Hoffa) really innocent. You know what they got on him? They got him on conspiracy to extort. He had given $80,000 to some guy to have him finish the hotel."

Caminiti: "How can you call that extortion?"

Balistrieri: "Well, he threatened him. In other words, to get his money back, he threatened this guy."

Caminiti: "This guy could change his testimony . . . can't he?"

Balistrieri: "Yeah."

Balistrieri told Caminiti that he would like to go see "that kid," an apparent reference to Hoffa.

"Well, they'll connect you with him and him with you," Caminiti told Balistrieri, apparently cautioning him against the meeting.

During another 1964 meeting, records show, Caminiti and Balistrieri discussed how they could get funds from local Teamsters unions, apparently to help pay some of Hoffa's legal expenses.

Noting that there was a Teamsters meeting coming up in Green Bay, Caminiti said:

"We can't take it out of the treasury, so what we're going to do is, three weeks from now we're going to meet in Green Bay, our council meeting. . . . All over the country they're doing this . . . raise per capita tax on all the local unions. . . .

"And then they got no voice in that, they can't vote it down or anything. . . . You'd be surprised how many think Jimmy should be in jail, that he's a crook and everything else.

"We'll take it out of the joint council and raise the per capita tax 5 cents, 10 cents per member and then they got no voice in that. . . . You got about 35 local unions in the state, I bet you 20 of them would never pass the resolution."

Balistrieri then indicated he wanted to see Ranney.

Caminiti's son-in-law, Mike Enea, was a business agent for Teamsters Local 200 from 1973 to 1983, records show.

In one wiretapped conversation, Balistrieri noted that Enea "has a little problem."

Enea pleaded guilty in 1984 to requesting loans from the president of Milwaukee Cheese Co. and from an official of Karp's Milwaukee Bakers Supplies. The Teamsters Union represented employes at both firms.

It is a violation of federal law for a labor leader to solicit money from a firm whose employes his union represents.

Recently, a federal grand jury has been looking into the relationship between Local 122 of the Hotel Motel Restaurant Employes and Bartenders Union and Sally Papia, who operates Sally's Steak House, a popular local restaurant. Papia allegedly sent the union $200 a month, which Vincent P. Gallo, the local's business manager, claimed were dues for her employes.

Gallo replaced Valley as business manager. Gallo is a former manager of Snug's restaurant, which is owned by Joseph Balistrieri. In a 1986 affidavit, Gallo denied that Frank Balistrieri had anything to do with his employment at Local 122.

Responding to a federal affidavit, Gallo also said that John Balistrieri never told him "there would be more money under the table, trips and cash payoffs for him down the road at Local 122."

While acknowledging that he drops by Snug's twice a week to have lunch and visit with Mrs. Balistrieri, Gallo denied that he participated in any meeting "for the purposes of handling the Balistrieri business while the boys were away."

Balistrieri and his two sons are in federal prison, courtesy of the FBI. Balistrieri could thank Cobb for his present circumstances and for something else, too.

While he was undercover, Cobb and hit-man Ruggiero brought 1½-cases of expensive brandy to Balistrieri, and a bunch of toys — $700 worth — that went to the grandsons of Frank's brother, Peter. That was on behalf of a mob family in New York City. The prison term was on behalf of the federal government.

Friday: The big skim.

DATE Thursday Nov 10, 1988
PUBLICATION Milwaukee Sentinel
DCIR FILE NUMBER OC-1

COMMENTS Page 2 of 2.

NEWSPAPER CLIPPING
DJ-DCI-43 (Rev. 7/79)

WISCONSIN DEPARTMENT OF JUSTICE
DIVISION OF CRIMINAL INVESTIGATION

THE CAPITAL TIMES, Madison, Wis., Thursday, April 20, 1989 — 33

FBI doesn't think Balistrieris will reorganize crime family

MILWAUKEE (AP) — Two sons of a man the FBI called head of Milwaukee organized crime will find the family operations disorganized as they return from prison, an agent says.

John J. Balistrieri and Joseph P. Balistrieri were lawyers when they and their father Frank P. Balistrieri were convicted years ago of trying to extort a business competitor, unaware he was a government undercover investigator.

Since then, the Milwaukee crime family with links to Chicago figures and Las Vegas gambling has been without leadership, said Michael DeMarco, FBI supervisor of organized crime and narcotics investigations in Milwaukee.

DeMarco said he did not think the Balistrieri brothers, freed from prison, would try to restore the old operations.

John Balistrieri was released Wednesday from La Tuna Federal Prison in Texas. His brother Joseph is to be released Friday from El Reno Federal Prison in Oklahoma.

While New York has 500 to 700 La Cosa Nostra members, Milwaukee organized crime in its heyday had no more than a handful, DeMarco told the Milwaukee Sentinel.

"Personally, I think there has been very little happening here in traditional organized crime," DeMarco said. "There has been a lot of bookmaking going on but most of that is in private businesses. There's not much of an organization."

The Balistrieri establishment crumbled with the July 1984 sentencings of Joseph, 48, and John, 40, who were convicted of extortion.

The case stemmed from contacts made by an FBI agent posing as a man wanting to set up a vending machine business in Balistrieri territory.

Earlier that year, their father — identified in court documents as chief of Milwaukee's organized crime — was sentenced to federal prison for extortion and gambling.

The senior Balistrieri also was indicted with several other people in Kansas City, accused of skimming profits from Las Vegas casinos.

Organized crime in Chicago has been in disarray in recent years so no one tried to assume leadership in Milwaukee in the absence of the Balistrieris, DeMarco said.

"They're having some real trouble down there trying to decide who's the boss," he said.

In 1986, U.S. District Court Judge Terence T. Evans reduced the Balistrieri brothers' sentences from eight years to five years after they wrote letters disassociating themselves from their father and accusing him of forcing them into wrongdoing.

The senior Balistrieri, 71, is serving concurrent 13- and 10-year sentences in a federal prison in Pennsylvania. DeMarco said the elder Balistrieri wouldn't be released until 1992.

"We're taking a low-key approach to the return of the Balistrieris," De Marco said. "We'll leave them alone for right now. We'll treat them like anyone else who has just been released from prison."

The brothers were suspended from the Wisconsin Bar Association in January 1987. They cannot apply for reinstatement until 1992.

DATE April 20 1989

PUBLICATION Capital Times

DCIR FILE NUMBER OC-1

COMMENTS

RECEIVED APR 26 1989

CASE ACTIVITY REPORT
DJ-DCI-25

WISCONSIN DEPARTMENT OF JUSTICE
Division of Criminal Investigation -- Operations
123 W. Washington Ave.
Madison, Wisconsin 53703

Date: Oct. 4, 1972

Case No.: OC-1

INVESTIGATORS: A. D. Herbert L. Krusche and Special Agent Harold S. Engelbart

SUBJECT OF INVESTIGATION: FRANK BALISTRIERI

On the evening of Thursday, September 28, 1972, A.D. KRUSCHE had been advised by D[redacted] H[redacted] that T[redacted] L[redacted], a Milwaukee Journal reporter, had an individual with him who may have information about the murder of LOUIS FAZIO, which occurred on Wednesday morning, September 27, 1972. A.D. KRUSCHE contacted S/A ENGELBART to assist in conducting an interview of L[redacted]'S confidant.

At approximately 10:00 p.m. on September 28, 1972, A.D. KRUSCHE and S/A ENGELBART met L[redacted] at the COPPER HEARTH restaurant and tavern at [redacted], Milwaukee, Wisconsin. It was obvious that L[redacted] had quite a bit to drink. He introduced the agents to his white male companion at the bar, who was also somewhat under the influence.

L[redacted]'S companion identified himself as ROBERT BEHNKE, living at [redacted], Brown Deer, phone number [redacted]. BEHNKE stated that he is the president of the STEELWORKERS' UNION at CONTINENTAL CAN COMPANY in Milwaukee. BEHNKE is also a candidate for assemblyman in the 14th District.

BEHNKE was asked about the information that he had regarding FAZIO'S murder. He admitted not having firsthand information but stated he received it from a very close friend who is also a close friend of the FAZIO family. BEHNKE was extremely reluctant to name this friend of his and only did so after L[redacted] went to the bar. BEHNKE said that the information he received was from W[redacted] S[redacted] of [redacted], West Allis, Wisconsin. BEHNKE said that S[redacted] is a trustee in his union.

BEHNKE at first related information about the MACHIs. L[redacted] interjected by saying BEHNKE told him T[redacted] M[redacted] was the trigger man. BEHNKE adamently denied saying that. He explained that he does not know the M[redacted]s, although he had gotten a job at CONTINENTAL CAN COMPANY in the Spring of 1972 for the son of one of the M[redacted]s, whom he met at the IRON HORSE. He clarified this by saying S[redacted] took him to the IRON HORSE at that time where he had a meeting with the elder M[redacted] about getting the job for M[redacted]S kid. He said that LOUIS FAZIO was also at that meeting. BEHNKE said he did not remember the first names of either one of the M[redacted]s.

RECEIVED

OCT 13 1972

DCI CIIC

TC. Hamblin. 1/9/84 -1-

OC-1-100

BEHNKE then furnished information he said he received from S[redacted] about another meeting at the IRON HORSE on the night of LOUIS FAZIO'S death. This meeting took place at approximately 1:15 a.m., which was a couple of hours prior to FAZIO being killed. Present at that meeting were S[redacted], B[redacted] S[redacted], DR. ANTHONY VERDONE, F[redacted] S[redacted], LOUIS FAZIO and S[redacted]'S girlfriend, whom BEHNKE knows only by the first name of J[redacted]. BEHNKE said that J[redacted] is a [redacted] at the Juneau Village and lives a few doors down the street from S[redacted]. BEHNKE said that a M[redacted] came in the place that night during the meeting and FAZIO remarked to the group that it was unusual to see M[redacted] there as he hadn't been around for quite some time.

BEHNKE then related information he said he received from S[redacted] about incidents occurring after FAZIO'S death. BEHNKE said that S[redacted] met DR. ANTHONY VERDONE at NICOLET HOSPITAL later in the morning of the same day of FAZIO'S death. S[redacted] and VERDONE ate lunch together, and shortly after, were picked up for questioning by the Milwaukee Police Department. BEHNKE said he didn't know what they were questioned about.

After the questioning, VERDONE and S[redacted] went to LOUIS FAZIO'S home on Humboldt Street. All of the F[redacted] brothers were present, in addition to other relatives and close friends.

The brothers then asked the women, children and close friends to step out of the room while they (J[redacted], J[redacted], F[redacted], A[redacted] and T[redacted] F[redacted]) had a conference. S[redacted] informed BEHNKE that he heard one of the FAZIO brothers state, "FRANKIE B. is the heat." This was overheard as the door was closing, after persons other than the brothers left the room.

BEHNKE said that S[redacted] knows whom the FAZIOs think the trigger man was in the LOUIS FAZIO murder. The person is supposed to be number one behind FRANKIE BALISTRIERI. BEHNKE said S[redacted] would not give him that name, but BEHNKE would get it from S[redacted] within a couple of days and advise the agents at that time. BEHNKE said that the FAZIOs knew that the person in question was not in town after LOUIS FAZIO'S death. BEHNKE said that this same unknown person makes a telephone call, without fail, every night at exactly 9:00 p.m. However, on the night of the FAZIO murder, this call was not made. BEHNKE said that he knew who the call was made to and the purpose of it but would not tell the agents at this time. BEHNKE said that the reason FAZIO was killed was because he had been "shooting off his mouth to too many police officers on BALISTRIERI'S payroll." BEHNKE said he had information that BALISTRIERI paid off a total of $60,000 each year to the Milwaukee

Police Department alone. BEHNKE would not elaborate on this information.

BEHNKE said that he felt he was obligated to go to FAZIO'S funeral and would get other information which he would pass on to the agents. He agreed to contact the agents within the next couple of days.

LEADS: Re-interview BEHNKE when he is not drunk.
Check indices for references on W[redacted] S[redacted].

HSE:so
cc: OC-14

CASE ACTIVITY REPORT
DJ-DCI-25

WISCONSIN DEPARTMENT OF JUSTICE
Division of Criminal Investigation — Operations
123 W. Washington Ave.
Madison, Wisconsin 53703

Date: Oct. 10, 1972

Case No.: OC-1

INVESTIGATORS: Special Agents Joseph R. Zaworski and Richard H. Anderson

SUBJECT OF INVESTIGATION: FRANK BALISTRIERI

On August 28, 1972, between 6:00 p.m. and 9:00 p.m., Special Agents ZAWORSKI and ANDERSON conducted a surveillance of persons attending the wake for J[redacted] A[redacted] which was being held at the GUARDALABENE AND AMATO FUNERAL HOME, [redacted] in Milwaukee. During the course of the surveillance, license numbers of cars in the immediate area were obtained. Those license numbers and listings are at the end of this report.

Checks of FRANK BALISTRIERI'S and PETER BALISTRIERI'S homes were made during the hours of surveillance, and the following observations were made:

7:25 p.m. A 1966 black over white Cadillac 4 door, Wisconsin license C53-059(73), listed to LEONARD J. DREWEK, 1634 North Jackson Street, Milwaukee, Wisconsin; a 1972 white over blue Chevrolet 2 door, Wisconsin license N58-824(73), listed to JOSEPH BALISTRIERI, 1634 North Jackson Street, Milwaukee, Wisconsin; and a 1970 black vinyl top over brown Buick 4 door, Wisconsin license Z46-396(72), listed to LEONARD J. DREWEK, 1634 North Jackson Street, Milwaukee, Wisconsin, were observed parked behind PETER BALISTRIERI'S house.

7:30 p.m. A 1966 Pontiac station wagon, Wisconsin license M323(73), listed to I[redacted] E[redacted], [redacted], Milwaukee, Wisconsin, and a 1969 Cadillac 2 door, black over green, Wisconsin license P26-374(73), listed to T[redacted] G[redacted], [redacted], Milwaukee, Wisconsin, a lien held by 1st National Bank of Sturgeon Bay, Wisconsin, were observed parked in front of FRANK BALISTRIERI'S house.

8:10 p.m. A[redacted] F[redacted], [redacted], Milwaukee, Wisconsin, was observed driving his 1970 white Cadillac, Wisconsin license E50-094(73), and parking on East Brown Street and walking to the funeral home.

8:15 p.m. Attorney JOSEPH BALISTRIERI was observed parking a new white vinyl top over dark blue Cadillac without license

RECEIVED
OCT 13 1972

DCI		CIIC	

OC-1-101

plates on East Brown Street, a half block west of the funeral home.

The following license numbers were obtained from cars in the vicinity of the funeral home:

Wisconsin 1972 Plates

ND8877	T[redacted] B[redacted] [redacted] Milwaukee, Wisconsin	
R72-201	J[redacted] P[redacted] [redacted] Milwaukee, Wisconsin	
R97-847	F[redacted] S[redacted] [redacted] Milwaukee, Wisconsin	
S59-675	D. L. PETERSON TRUST CO. [redacted] Baltimore, Maryland	1970 Plymouth 4 door, light blue, driven by P[redacted] D[redacted]
SE6957	J[redacted] G[redacted] [redacted] Milwaukee, Wisconsin	
T2110	J[redacted] D[redacted] [redacted] Fond du Lac, Wisconsin	
T38-440	R[redacted] J[redacted] [redacted] LaCrosse, Wisconsin	black Mercedes
T92-827	L[redacted] I[redacted] [redacted] Madison, Wisconsin	brown Buick
T95-784	R[redacted] A[redacted] [redacted] West Allis, Wisconsin	
U36-900	J[redacted] B[redacted] [redacted] Milwaukee, Wisconsin	

UB3554	IVM Lsg. Co. GELCO [redacted] Minneapolis, Minnesota	
Y25-350	J[redacted] S[redacted] [redacted] Sheboygan, Wisconsin	
Y26-310	R[redacted] G[redacted] [redacted] Milwaukee, Wisconsin	
Y36-343	R[redacted] D[redacted] [redacted] Milwaukee, Wisconsin	black over brown Chevrolet
Y45-403	JOSEPH P. CAMINITI [redacted] Menomonee Falls, Wisconsin	1972 Pontiac 4 door
Y56-310	J[redacted] M[redacted] [redacted] Milwaukee, Wisconsin	
Z16-398	J[redacted] D[redacted] [redacted] Milwaukee, Wisconsin	Chrysler

Wisconsin 1973 Plates

A38-717	ALIOTO'S RESTAURANT INC. [redacted] Wauwatosa, Wisconsin	
A52-190	J[redacted] D[redacted] [redacted] Milwaukee, Wisconsin	
A53-077	UPTOWN MOTORS INC. 2111 North Mayfair Road Milwaukee, Wisconsin	
A53-969	SELIG LEASING CO. INC. [redacted] West Allis, Wisconsin	

B35-839	K[redacted] INDUSTRIAL CO. INC. [redacted] West Bend, Wisconsin	
C13-375	GUARDALABENE & AMATO FUNERAL HOME [redacted] Milwaukee, Wisconsin	1971 Buick 4 door
C45-444	Mrs. F[redacted] A[redacted] [redacted] Wauwatosa, Wisconsin	
C50-001	H[redacted] S[redacted] [redacted] Milwaukee, Wisconsin	
E9019	o J[redacted] A[redacted] [redacted] Whitefish Bay, Wisconsin	
E36-085	o H[redacted] I[redacted] [redacted] Racine, Wisconsin	
E37-600	o R[redacted] B[redacted] [redacted] Cudahy, Wisconsin	
E37-698	ALIOTO RESTAURANT INC. 3041 North Mayfair Road Milwaukee, Wisconsin	Oldsmobile
E58-420	C[redacted] D[redacted] [redacted] Milwaukee, Wisconsin	1972 Oldsmobile 2 door
E62-436	o W[redacted] E[redacted] [redacted] LaCrosse, Wisconsin	black over brown Cadillac
E78-747	o M[redacted] M[redacted] [redacted] Milwaukee, Wisconsin	
F8637	o W[redacted] M[redacted] [redacted] New Berlin, Wisconsin	68 Buick 4 door lien: Suburban Finance of Milwaukee

G13-945	E [redacted] K [redacted] Brown Deer, Wisconsin	72 Buick 4 door, red lien: Suburban Finance of Milwaukee
G65-987	M [redacted] A [redacted] Milwaukee, Wisconsin	69 Buick 2 door, green
G76-426	G [redacted] R [redacted] Milwaukee, Wisconsin	71 Chevrolet 4 door
H72-394	[redacted] G [redacted] Milwaukee, Wisconsin	69 Jaguar 2 door
J1673	J [redacted] W [redacted] Milwaukee, Wisconsin	72 Oldsmobile 2 door lien: 1st National Bank Waukesha
J11-207	H [redacted] S [redacted] Delavan, Wisconsin	71 Dodge 4 door
J31-149	C [redacted] or T [redacted] A [redacted] Milwaukee, Wisconsin	69 Buick 4 door lien: Suburban Finance of Milwaukee
J51-082	BUSALACCHI CO. INC. [redacted] Milwaukee, Wisconsin	69 Ford station wagon wood panel sides
J48-246	J [redacted] G [redacted] Milwaukee, Wisconsin	66 Buick 2 door
J51-179	F [redacted] M [redacted] Milwaukee, Wisconsin	72 Plymouth 2 door
J57-802	J [redacted] Z [redacted] Milwaukee, Wisconsin	69 Pontiac 2 door
K24-908	D [redacted] W [redacted] Madison, Wisconsin	67 Chevrolet 4 door

K26-645	S[redacted] F[redacted] [redacted] Milwaukee, Wisconsin	65 Mercury 4 door
L1216	H[redacted] P[redacted] [redacted] Shorewood, Wisconsin	71 Lincoln 2 door Continental
L42-421	o N[redacted] S[redacted] [redacted] Milwaukee, Wisconsin	65 Ford 4 door
L51-051	o R[redacted] J[redacted] [redacted] Milwaukee, Wisconsin	72 Dodge 4 door lien: Waukesha State Bank of Waukesha
L63-421	J. BALISTRIERI 1922 North Summit Milwaukee, Wisconsin	white over red Cadillac
M42-612	o P[redacted] V[redacted] [redacted] Milwaukee, Wisconsin	72 Chevrolet 2 door lien: Brown Deer Bank of Brown Deer
N13-089	S[redacted] & [redacted] B[redacted] [redacted] Hubertus, Wisconsin	71 Buick 4 door
N17-692	o J[redacted] D[redacted] [redacted] Madison, Wisconsin	69 Oldsmobile 4 door
N33-493	o C[redacted] W[redacted] [redacted] West Allis, Wisconsin	70 Chevrolet 4 door
N39-213	o A[redacted] S[redacted] [redacted] Madison, Wisconsin	69 Buick 2 door
N50-923	N[redacted] F[redacted] [redacted] Milwaukee, Wisconsin	67 Cadillac 2 door, black
N54-071	o R[redacted] K[redacted] [redacted] Milwaukee, Wisconsin	70 Chevrolet 2 door

N91-707	L[redacted] M[redacted] [redacted] New Berlin, Wisconsin	63 Dodge 4 door lien: Suburban Finance of Milwaukee
P2138	A[redacted] H[redacted] [redacted] Milwaukee, Wisconsin	70 Buick 2 door
Q55-579	o A[redacted] S[redacted] [redacted] Milwaukee, Wisconsin	66 Pontiac 2 door
Q84-410	J[redacted] F[redacted] [redacted] Wauwatosa, Wisconsin	70 Oldsmobile 4 door black over tan
Q85-450	JOSEPH CAMINITI [redacted] Menomonee Falls, Wisconsin	71 Buick 4 door
R90	o ARENSONS INC. [redacted] Milwaukee, Wisconsin 1973 Illinois Plates	72 Datsun 2 door lien: Heritage Bank of Milwaukee
804-666	o FERRARA CATERERS INC. [redacted] Chicago, Illinois	

JRZ:so

State of Wisconsin \ DEPARTMENT OF TRANSPORTATION

September 28, 1972

DIVISION OF MOTOR VEHICLES
4802 SHEBOYGAN AVENUE
MADISON, WISCONSIN 53702

Wis. Dept. of Justice
819 North 6th Street
Milwaukee, Wisconsin 53203
Attn: Spec. Agent J. Zaworski

RE: 1971 Cadillac
J. Balistreri

Dear Sir:

We have enclosed photostatic copies of title number Q13N2389 showing application for title in the name of J. Balistreri, Milwaukee, Wisconsin was received in our Milwaukee Office, Division of Motor Vehicles July 7, 1972 for transfer. License number L 63421 was issued at this time for 1973. Date of sale and first day of operation is shown as June 27, 1972. Mr. Balistreri purchased the vehicle from Nodell Cadillac, Inc., Milwaukee, Wisconsin.

Sincerely,

Linda L. Gray

Linda L. Gray
Bureau of Vehicle Registration
[redacted]
RF/5

"This is 100% recycled paper."

19.15 6334

STATE OF WISCONSIN

CERTIFICATE OF TITLE

DEPARTMENT OF TRANSPORTATION
DIVISION OF MOTOR VEHICLES

THE PERSON, FIRM OR CORPORATION NAMED ON THIS TITLE HAS BEEN DULY REGISTERED AS THE LAWFUL OWNER OF THE VEHICLE DESCRIBED, SUBJECT TO ANY SECURITY INTEREST SHOWN

Q13N2389

MO 20

JUL - 7 1972

ADMINISTRATOR

IDENTIFICATION NO.	YEAR - MAKE	TYPE - GR. WT.
6834710174845	71CAD	20R
18.75	TITLE NO	DATE OF ISSUE
	P05J2191	05/11/71

SECURED PARTY (LIENHOLDER)
No. 1
No. 2

1ST SECURITY INTEREST HEREBY RELEASED ON: DATE
BY SIGNATURE OF AUTHORIZED PARTY
TITLE OF AUTH. PARTY

2ND SECURITY INTEREST HEREBY RELEASED ON:
BY SIGNATURE OF AUTHORIZED PARTY
TITLE OF AUTH. PARTY

LAST NAME FIRST
NODELL LEASING INC
5200 N PORT WASH RD
MILWAUKEE 53217

CO - TAX DIST
40 157

Q13N2390

Title must be transferred immediately on a change of ownership. Attach Wisconsin sales tax form [illegible] application.

Any alterations or erasures will [illegible] title.

ASSIGNMENT OF TITLE Seller must complete the portion and give to [illegible]

For value received I (we) hereby sell, transfer, and assign the vehicle and warrant title to [illegible] vehicle described on this certificate to

Name of Purchaser: J. Balistreri

Date of Sale: 6-27-72

Personal signature of a registered owner [illegible] shown on face of title: x Nodell Leasing Inc. [signature] Clerk

REASSIGNMENT BY REGISTERED DEALER

For value received I (we) hereby sell, transfer, and assign the vehicle [illegible] vehicle described on this certificate to

Name of Purchaser: J. Balistreri

Date of Sale: 6-27-72

Name of Dealer: Nodell Cadillac, Inc.

State: Wisc.,

Dealer No. 256

Signature of Dealer or Authorized Person: X [signature] Clerk

AUTO ONLY Request to transfer license plates. License plates for automobiles and municipal vehicles stay with owner. Auto license plates are transferable if the vehicle to which they were assigned is no longer owned or has been junked by the owner.

License No. If you have no Wisconsin plates, state "None"

For Office Use Only

Fee Allocation: A 19.15

I request transfer of my license to this vehicle

[ ] I junked former vehicle - title is attached

[ ] I sold vehicle to

Name and Address

IF NOT AUTO If this vehicle is not an automobile, the license plates stay with the vehicle. If truck, submit with form MVD 2101B or monthly registration form MVD 2235 if qualified.

License plate on vehicle is: Year Number Insert

Transaction No. 73416

APPLICATION FOR TITLE - Fee $1.00 - Include license fee if required. I (we) apply for a certificate of title to the vehicle described.

The date I first operated this vehicle was 6-27-72

If a security interest (lien) is to be perfected (recorded), attach an additional fee of $1.50 and form MVD 2075.

License No. L 634212

Secured Party

Address

Street Office State

Street: J. Balistreri 1922 N. Summit

Postoffice: Milwaukee, Wisconsin

State

Title: 40-57

County where vehicle is kept: Milwaukee

Check one box only: [X] City of [ ] Village of [ ] Township of

Name of City, Village or Township: Milwaukee

[illegible] suspended or revoked, or has it been revoked within the past five years? [ ] Yes [ ] No

Signature of Dealer: [signature]

Social Security No. or Company Federal Tax No.

Area Code Telephone

X

X

CASE ACTIVITY REPORT
DJ-DCI-25

WISCONSIN DEPARTMENT OF JUSTICE
Division of Criminal Investigation — Operations
123 W. Washington Ave.
Madison, Wisconsin 53703

Date: Oct. 10, 1972

Case No.: OC-1

INVESTIGATORS: Special Agent Joseph R. Zaworski

SUBJECT OF INVESTIGATION: FRANK BALISTRIERI

On Tuesday, August 29, 1972, at 6:55 p.m., FRANK BALISTRIERI was observed by Special Agents ALFRED F. SUHR and RICHARD W. LARSEN entering a 1971 Cadillac 4 door, bearing Wisconsin license L63-421(73), which was parked across the street from PETER BALISTRIERI'S house, 1634 North Jackson Street, Milwaukee, Wisconsin.

On September 27, 1972, S/A ZAWORSKI telephonically contacted the Wisconsin Motor Vehicle Department, Madison, Wisconsin, operator N10, for a listing on Wisconsin 73 plate L63-421, and records reveal the plate is registered to J. BALISTRERI, 1922 North Summit, Milwaukee, Wisconsin, on a 1971 Cadillac 2 door, I.D. #683471Q174845. No liens against auto at this time; title number Q13N2389.

S/A ZAWORSKI requested a photostat of the transfer of title application, copy attached to this report, which reveals the following:

Application for title in the name of J. BALISTRERI, 1922 North Summit, Milwaukee, Wisconsin, was received in the Milwaukee Office, Division of Motor Vehicles, July 7, 1972, for transfer. License number L63-421 was issued at that time for 1973. Date of sale and first day of operation is shown as June 27, 1972, and auto was purchased from NODELL CADILLAC, INC., 5200 North Port Washington Road, Milwaukee, Wisconsin.

LEAD: Check spelling of the name BALISTRERI as they spell it BALISTRIERI and not as shown on title application.

Check 1922 North Summit to verify if such address exists.

JRZ:so

RECEIVED

OCT 18 1972

DCI	-	CHC

OC-1-102

WISCONSIN DEPARTMENT OF JUSTICE
CRIMINAL DIVISION

Balistrieris File Suits in Car Crash

Frank P. Balistrieri and his brother, Peter F. Balistrieri, alleging they were severely injured in a Nov. 11, 1969, auto accident, asked for a total of $80,000 in Circuit Court complaints filed Wednesday.

Defendants in the suits are James Rehrauer, 4221 N. 42nd Pl., and the Classified Insurance Corp., 700 W. Michigan St.

Frank P. Balistrieri, 3043 N. Shepard Ave., asks for $55,000. A car he owned and was driving was hit from the rear by an auto driven by Rehrauer in front of the Courthouse, 901 N. 9th St., according to the suit.

Peter F. Balistrieri, 1634 N. Jackson St., who was a passenger in the car driven by his brother, seeks $25,000.

The suits allege that Rehrauer was negligent in the operation of the car he was driving.

RECEIVED
OCT 25 1972

DCI		CIIC	

Comments:

Date: October 19, 1972
Publication: Milwaukee Sentinel

	O.C.	NARC.	GEN.	SPEC.
Coordination:	X			
Submitting Unit:				
CIIC File #:	OC	1	103	

WISCONSIN DEPARTMENT OF JUSTICE
CRIMINAL DIVISION

Balistrieris Sue for Collision Injuries 14

Milwaukee tavernkeepers Frank P. and Peter E. Balistrieri filed separate lawsuits Wednesday demanding a total of $80,000 for injuries suffered in a collision with an auto driven by a Milwaukee fireman.

The Balistrieris, who are brothers, said they were injured Nov. 11, 1969, when their car was struck from behind by that of James Rehrauer, 47, of 4221 N. 42nd Pl., a Fire Department lieutenant.

Frank Balistrieri, 54, was driving his 1968 Cadillac on N. 9th St. between the Courthouse and Safety Building, and Peter Balistrieri, 53, was a passenger, police said.

Rehrauer could not be reached for comment Thursday.

RECEIVED

OCT 25 1972

DCI			CIIC

Comments:

Date: October 19, 1972
Publication: Milwaukee Journal

	O.C.	NARC.	GEN.	SPEC.
Coordination:	X		✓	

Submitting Unit:

CIIC File #:	OC	1	104	

CASE ACTIVITY REPORT
DJ-DCI-25

WISCONSIN DEPARTMENT OF JUSTICE
Division of Criminal Investigation – Operations
123 W. Washington Ave.
Madison, Wisconsin 53703

Date: November 15, 1972

Case No.: OC-14
OC-1

INVESTIGATORS: Special Agent Gary H. Hamblin

SUBJECT OF INVESTIGATION: Information Received Re: FAZIO Murder

On November 14, 1972, Special Agent HAMBLIN received a telephone call from Detective Lieutenant PIERRE PELLITIER of the Oakland Park, Florida Police Department's Organized Crime Section. PELLITIER had contacted HAMBLIN previously, requesting information on the murder of LOUIS FAZIO. The requested information was provided, and PELLITIER, who has informants close to J[redacted] F[redacted] and F[redacted] F[redacted], both of the Oakland Park-Fort Lauderdale area, was asked to relay any information he may obtain concerning the FAZIO murder.

PELLITIER advised that a reliable informant had provided the following information: LOUIS FAZIO was "hit" by two young Italians from Chicago or New York. The reason for the hit was unknown, but it is believed that they just meant to scare him, not kill him. The murder had nothing to do with the DE STAFANO case in Chicago. FRANK BALISTRIERI is the next one to be "hit." For some reason, it was necessary to scare, or get LOUIS FAZIO out of the way, prior to going after BALISTRIERI.

J[redacted] F[redacted] is very scared and feels he may be hit also.

GHH:kmj

RECEIVED
NOV 27 1972
DCI CIIC

OC-1-106

WISCONSIN DEPARTMENT OF JUSTICE
CRIMINAL DIVISION

23

Balistrieri Testifies in Probe at Miami

Balistrieri *DeSalvo*

By David A. Offer
of The Journal Staff

Frank P. Balistrieri and two other Milwaukee area men testified Tuesday before a grand jury investigating organized crime in Miami, Fla.

Balistrieri, of 3043 N. Shepard Ave., was identified as a member of "one of the principal families" of the Cosa Nostra by US Sen. John L. McClellan (D-Ark.) in 1969.

He and the two other men were subpenaed by the grand jury last week when they flew to Miami from Milwaukee.

While officials have declined to discuss the purpose of the [illegible] federal government strike force on organized crime questioned witnesses before the jury.

The two other men subpenaed with Balistrieri were Henry Nechy and Steve De Salvo. Nechy is president of Universal Builders, 4380 N. Green Bay Ave. De Salvo works for the firm.

The appearance of a witness before a grand jury does not mean that he is suspected of wrongdoing but rather that he might have information that could aid the secret inquiry.

In 1970, Asst. US Atty. Gerald F. Uelmen filed papers [illegible] Angeles describing De Salvo as a Milwaukee bookmaker and called him an associate of Balistrieri. Uelmen's report was part of the record in the trial of Andrew Lococo, a former Milwaukeean who was convicted of perjury in California.

Nechy was formerly associated with American Building Supply Corp., 4821 N. 32nd St., and was involved in state investigations of business prac-

RECEIVED

JAN 29 1973

DCI		CIIC	

Comments:

Date: January 23, 1973
Publication: Milwaukee Journal

	O.C.	NARC.	GEN.	SPEC.
Coordination:				

Submitting Unit: Milwaukee Office

CIIC File #:	OC	1		107

cc: OC-13
OC-77

ACTIVITY REPORT
DCI-25

WISCONSIN DEPARTMENT OF JUSTICE
Division of Criminal Investigation — Operations
123 W. Washington Ave.
Madison, Wisconsin 53703

Date: January 22, 1973

Case No.: OC-1

INVESTIGATORS: Assistant Director Herbert L. Krusche and Special Agent Gary H. Hamblin

SUBJECT OF INVESTIGATION: STEVE DE SALVO - FRANK BALISTRIERI - HENRY NECHY

F.B.I. Agent EUGENE MURPHY advised Assistant Director KRUSCHE that DE SALVO, BALISTRIERI and HENRY NECHY bought tickets for Miami, Florida, at Eastern Airlines in Milwaukee, on January 15, 1973. The three men left Milwaukee on Eastern Airlines on January 18, 1973 and arrived in Florida on the samedate. The subjects are staying at the AMERICANA HOTEL in Miami Beach. F.B.I. Agents in Florida are surveilling the subjects and served Federal Grand Jury subpoenas on them on about January 20, 1973. The three are to appear before a Federal Grand Jury investigating Organized Crime in Miami, on Tuesday, January 23, 1973.

Assistant Director KRUSCHE and Special Agent GARY HAMBLIN met with Special Agents MURPHY and CHARLES BROWN on this same date. HAMBLIN provided the agents with a list of questions that we would like to have answered, in regard to NECHY'S and DE SALVO'S operation of UNIVERSAL BUILDERS, INC. Special Agent HAMBLIN is currently assisting Federal Postal Inspectors in making a Federal mail fraud case against DE SALVO and NECHY.

HLK:ms
cc: OC-77
OC-13
OC-199

RECEIVED
JAN 30 1973
DCI CHC

OC-1-108

WISCONSIN DEPARTMENT OF JUSTICE
CRIMINAL DIVISION

Grand Jury Questions Three

A Milwaukee man, once identified by the Justice Department as a member of the Mafia, and two companions appeared before the U.S. Grand Jury Tuesday in response to a subpena to answer questions Tuesday about their trip here before the U.S. Grand Jury.

Frank Balistreri, identified by former Attorney General John Mitchell as a Wisconsin Cosa Nostra member in 1969, has been staying at the Americana Hotel, Bal Harbour since Thursday.

FBI agents served Balistreri and two companions from Milwaukee, Steve DeSalvo and Henry Nechy, with subpenas Monday.

The three men were questioned before the panel Tuesday morning by Dougald McMillan, head of the Miami Organized Crime Strike Force.

McMillan declined to commend on Balisteri's appearance.

RECEIVED
FEB 7 1973
DCI CIIC

Comments:

Date: January 23 or 24, 1973
Publication: Unknown Miami Newspaper

	O.C.	NARC.	GEN.	SPEC.
Coordination:	HC			

Submitting Unit: Milwaukee Office

CIIC File #:	OC-	1	109	

CASE ACTIVITY REPORT
DJ-DCI-25

WISCONSIN DEPARTMENT OF JUSTICE
Division of Criminal Investigation — Operations
123 W. Washington Ave.
Madison, Wisconsin 53703

Date: January 26, 1973

Case No.: OC-1

INVESTIGATORS: Special Agent Alfred F. Suhr

SUBJECT OF INVESTIGATION: FRANK P. BALISTRIERI etal

On January 12, 1973, OCI-19 allowed Special Agent SUHR to peruse a copy of a Los Angeles BNDD Informant debriefing report which took place in Los Angeles in October, 1972.

Extracted from the above referenced report is the attached information pertinent to references in Milwaukee. Wherever an "X" appears in the attached report, the informant's BNDD code number has been struck for security purposes.

NOTE: J[redacted] F[redacted], W/M, D.O.B. [redacted], has alleged that he served time in Sandstone with FRANK BALISTRIERI. Past contacts with F[redacted] by agents of D.C.I. revealed that F[redacted] is familiar with the Milwaukee east side, Italian element. The possibility exists that the informant mentioned in the attached report could be F[redacted].

AFS:ms
cc: OCI-19

RECEIVED
FEB 7 1973

DCI			CIIC

TC - Ernie 8/29/83 - hy

OC-1-110

Att 7'2

X originally became involved with the BALISTRIERI Family during the time he spent in Federal prison in Atlanta and Sandstone. While in Atlanta he was acquainted with Frank Peter BALISTRIERI. When X was transferred to Sandstone Federal Prison, he met and became close friends with a C[redacted] V[redacted]. V[redacted], at the time, was at Sandstone because of an Income Tax conviction. V[redacted] asked the informant if he would like to go to work for the BALISTRIERI's when he got out of prison. V[redacted] told the informant to contact Joe ENEA at the Adlib Lounge on Wells Street between Third and Fourth Streets in Milwaukee. The phone number at the Adlib Lounge is [redacted]. When X was released from prison, he proceeded to Milwaukee and attempted to contact Joe ENEA at the above listed number. ENEA was not there so the informant contacted Jenny ALIOTO, who told the informatn that he should go to the Adlib Lounge and wait till Joe ENEA contacted him. The informant was contacted by ENEA and was given money for clothes and an apartment, and told that he would be paid $400.00 a week. The informant's duty was a collector for the BALISTRIERI familey at approximately ten locations in Milwaukee.

2. X stated that he worked directly for Joe ENEA. ENEA is a lieutenant for Frank Peter BALISTRIERI and runs the Adlib Lounge on Wells Street. This is a strip joint, which was owned by ENEA's father until he was shotgunned to death several years ago. The informatn did not know the reason behind the killing.

3. The informant said that ENEA was called by Jenny ALIOTO at phone number [redacted] once every evening; during which time business was discussed. No other business calls were made between the two except for emergencies. The informant said that he ahad learned while in Milwaukee that the BLANKINSTEIN CORP. owns, on paper, the Wise Hotel, the Antler Hotel, and one or two others in the Milwaukee area. The actual owners, however, are the BALISTRIERI family. X said that the prostitution operating out of these two hotels is run by the Negro element, and that the BALISTRIERIS receive payoffs for letting it operate. The informant felt that up until February 1972, an

individual by the name of [redacted] last name unknown, was in control of the Negro element for the BALISTRIERI family. In February 1972, he went into the hospital for an eye operation and died of a heart attack on the operating table. He was a male Negro, thrity-one years of age. He had started out as a bouncer at the SCENE for BALISTRIERI.

4. The informant said that every evening at six PM, he (informant) Joe ENEA, Rudy ~~PUBLIOCHI~~ PORCHETTA (SIC) and Joe MANIACI would have coffee at the Wisconsin Grill, next to the Wisconsin Hotel. It was during this time that the informant learned of a short order cook at the Grill who was a bagman for narcotics coming into Milwaukee from Chicago. The cook would take delivery of the narcotics and, in turn, deliver them to someone in the Wisconsin Hotle. The amounts of narcotics were small, running between three and six ounces of heroin a week.

5. X said that while he worked for the BALISTRIERI family, he had personally made, or had seen, payoffs being made to two politicians in the Milwaukee area. One was a Mark RYAN, who was supposedly an Alderman for the south side of Milwaukee. The informatn first met RYAN at a place called ANGIES STEAK HOUSE, on North Water Street, next to the Kings Fours. The place was run by a sister of Angie last name unknwon (who had died several years earlier). The bartender's name was [redacted], brother of Joe MANIACI. One night RYAN approached the informant, introduced himself, and struck up a conversation. As the conversation progressed, RYAN mentioned the fact that he was a good friend of Frank BALISTRIERI and went out with him quite often. RYAN also told the informant that he had "done a lot of favors for Frank."

6. X personally gave RYAN $500.00 cash to see that a night spot by the name of THE SCENE had its license renvewed so that it could be re-opened. This money was given to the informant by Joe ENEA to give to RYAN. The informant also gave RYAN money to be given to members of the Milwaukee Police Deparmtment, in order to stop the harrassment by police of the BODY

SHOP, a strip joint owned by Frank BALISTRIERI.

7. The informant also paid $500.00 cash to an individual by the name of OKANSKI, first name unknown, who is a Supervisor for the County Council in Milwaukee. This moeny was paid for assistance in receiving a license renewal for THE SCENE night club.

8. X went on to say that in March 1972, a County Grand Jury was formed to investigate gambling in Milwaukee. A list was made by the Grand Jury of people whom it (the Grand Jury) wish to subpoena in connection with the gambling investigation. This list was given to members of the BALISTRIERI organization by an unidentified Milwaukee policeman, who was pxurportedly taking payoffs from the BALISTRIERI family. The informant said that this policeman is a Lieutenant, approximately 6 feet tall, weighing 185 pounds, with black haxir and who smoked cigars. He has apparently been giving the BALISTRIERI's information for quite some time.

9. This list was obtained in order to check it for people who might have information that could be damaging to the organization. If the family felt that anyone on the list could be dangerous, the organization would weither have the person killed, or as a last resort, if an indictment was handed down, have the prosecuting attorney, who the family was blackmailing, take care of the case. The BALISTRIERI organization had pictures of the prosecutor performing homosexual acts.

10. The informant also mentioned a tactical squad of the Milwaukee Police Department, which consists of seven or eight members, who work the high crime sections of Milwaukee. The informant said they seem to work between 9:00 PM and 3:00 AM in the morning. X said these individuals came into the Adlib Lounge often and supposedly furnished information to Organized Crime members in the Adlib Lounge. The informant said that these individuals were paid money, boxes of cigars, and cases of liquor by Joe ENEA.

11. X said that a PETER PICCIURRO ~~PITCH~~ who is an ~~uncle~~ cousin of Frank BALISTRIER owns a tavern called PITCHES LOUNGE, at 1801 Humbolt Street, in Milwaukee. The phone number is [redacted]. PITCH also owns the DELICIOUS VENDING COMPANY of Milwaukee. The tavern is a collection point for some of the monies collected by the BALISTRIERI family. The informant stated that this location is frequented by many Homicide Detectives of the Milwaukee Police Department. The informant did not know if these police officers are receiving payoffs but he did feel that they were very friendly with everybody in the place.

12. X would make collections at approximately ten places in Milwaukee. These collections included nightly receipts, loan shark money, and monies from prostitution, gambling and protection. He would make pick-ups by himself in the early morning hours of each day. The receipts were handed to the informant in a sealed envelope, with the amount of money contained within written on the outside of the envelope. The informant made collections at the Adlib Lounge (from Joe ENEA), the Downtowner on Fourth Street and Wells (from Joe MANIACI), and from the Brass Rail (from Rudy ~~PUBLOIOCHI (SIC)~~ PORCHETTA). The informant then went to MICHAELS, which is located next to the Town Hotel. The bartender at Michaels takes bets on the phone there. The number is [redacted]. The individual handing the money to the informant at MICHAELS was T[redacted] R[redacted]. From MICHAELS, the informant went to a night club by the name of PALERMO'S ITALIAN VILLA, where he picked up money from Pete GAUDIS. From there X went to O'VATUCCHI'S (SIC) a bar run by F[redacted] V[redacted]. The informant then amde a pickup from SARDINO'S North, from T[redacted] S[redacted], SARDINO's South from a bartender, name unknown, and SARDINO'S Midtwon, from R[redacted] V[redacted]. X last stop was a cocktail lounge called FAZZIO's. The informant picked up from either P[redacted] F[redacted] or "Baby" Joe BALISTRIERI.

13. Once the informant had collected from all locations, the money was taken to Jenny ALIOTO, who lives with Peter Frank BALISTRIERI on Jackson Street in Milwaukee. ALIOTO maintains an office and keeps all records concerning the BALISTRIERI family there. Also living at this address are Joe BALISTRIERI and Peter Frank's daughter and her husband. The pickups each night averaged between 18,000 and 22,000 dollars. Others who the informant knew were making pickups included R[redacted] V[redacted], R[redacted] D[redacted] and S[redacted] S[redacted] The informant went on to say that Baby Joe BALISTRIERI picked ups monies obtained at card games at R[redacted] F[redacted]'s and other clubs around Milwaukee.

14. Once a week, the informant Baby Joe BALISTRIERI and either R[redacted] D[redacted] or T[redacted] S[redacted] would transport the weekly receipts to a real estate office in Chicago. These trips would be made on different days of the week. The informant said that all the individuals making the strip would be armed. The amount transported varied between $60,000 and $320,000 a week.

15. This real estate office is a collection point for monies made by organized crime in Milwaukee, Rockford, and Chicago. The money is received by two brothers who run the office. There are lock boxes in a vault in the office belonging to each contributing family. There is also a slush fund contributed to by all families of one million dollars, which is maintained for bails and other emergencieswhich might arise involving any of the contributors. The vault has a seven foot door, is 10 to 12 feet deep, 6 feet wide, with locked boxes on one side and an 500 pound safe on the other. The informant estimates that there is approximately eight million dollars kept in this office for the different organizations. The informant felt that real estate business was also transacted in the office. X does not know the address of this office but stated that it was located in the Cicero area of Chicago.

16. The informant was once approached by a S[redacted] C[redacted] to burglarize the real estate office. C[redacted] agreed to furnish information about the office and in return C[redacted] wanted the $250,000.00 that he maintained in a lock box there. The informant stated that although the office was not heavily guarded at the time of the offer by C[redacted], he felt that the dangers were too extreme and refused.

17. When asked who he felt was the head of the Chicago area organized crime operation, X felt it was S[redacted] B[redacted].

18. The informant said that others working for the Frank BALISTRIERI family were M[redacted] V[redacted] who is a brother of R[redacted] V[redacted]. Mike is presently bartending at one of BALISTRIERI's bars, and R[redacted] is an enforcer who makes collections in the black areas of Milwaukee for the BALISTRIERIS.

19. The informant also heard that Steve DE SALVO and Henry NECHY are "juice" men for BALISTRIERI. The own an awning company in downtown Milwaukee, Wisconsin.

20. X was questioned concerning his knowledge of murders in the Milwaukee area. He mentioned the killing of a former manager of the BRASS RAIL, a strip joint on Third Street between Wells and Wisconsin Avenue. The informant felt that he was killed because he had been bragging to people about his connections with the BALISTRIERI family. The man was found dead in a ditch with several bullet holes in his head. The informant felt that a S[redacted] was the "hit" man. It should be noted that a barmaid at the BRASS RAIL at the time of the killing is now running a strip joint called THE BODY SHOP in South Milwaukee. The informant feels that this woman has personal knowledge of the killing and was given managership of the BODY SHOP as a reward for not passing on information concerning the killing to the Milwaukee Police.

21. Another killing involved an unknown individual who had recently arrived in the Milwaukee area from out of state. The individual was in Milwaukee to hide from the FBI who was looking for him in connection with a $250,000 robbery. The man asked the BALISTRIERI family for cover and protection which was provided by S[redacted] who was a hit man for the BALISTRIERIS. Supposedly S[redacted] went to P[redacted] P[redacted] who was running the organization while Frank BALISTRIERI was in prison. It was decided to kill the man and take the $250,000. The killing took place approximately two years ago.

22. X stated that there is a metal compactor located in a junk yard in South Milwaukee, which is possibly owned by a man named S[redacted], first name unknown. One day while the informant was at the junk yard picking up some things with Joe ENEA, ENEA told the informant that "this is where we get rid of our junk", insinuating that they disposed of bodies there.

23. The informant went on to say that the Minneapolis-St. Paul area is controlled by F[redacted] E[redacted] who is a cousin of Joe ENEA. The informant also stated that an Armenian in the Minneapolis-St. Paul area by the name of P[redacted] A[redacted] who lives at [redacted], St. Paul, is a close associate of organized crime figures in that city. Frank BALISTRIERI and A[redacted]'s father are good friends, and BALISTRIERI put the father into some kind of business in Milwaukee.

Miami Police Department
City of Miami, Florida

BERNARD L. GARMIRE
CHIEF OF POLICE
P. O. BOX 614
MIAMI, FLORIDA 33152

January 26, 1973

Mr. Gary Hamelin
Wisconsin Department of Justice
819 North 6th Street
Room 814
Milwaukee, Wisconsin 53203

Dear Mr. Hamelin:

I hope the attached information will be of assistance to you. With reference to C[redacted], he is under surveillance by a Federal agency, and we have no further information.

If we can be of further assistance, please contact us.

Sincerely,

Sgt. D. R. Miller
Criminal Intelligence Detail

DRM:db

Enclosure

RECEIVED
S. E. District
JAN 31 1973

Feb. 9, 1973

OC-14

Special Agent Gary H. Hamblin

F[redacted] S[redacted], DOB [redacted]

On January 18, 1973, Special Agent HAMBLIN telephonically contacted Sergeant DONALD R. MILLER of the Criminal Intelligence Detail of the Miami, Florida Police Department. HAMBLIN advised MILLER that FRANK BALISTRIERI (OC-1), STEVE DiSALVO (OC-13) and HENRY NECHY (OC-77) arrived in Miami sometime during the week of January 14-20, 1973 and have been subpoenaed before the Federal Grand Jury investigating organized crime in Miami. HAMBLIN provided the information for Miami intelligence purposes and also requested any information that they might develop relative to the above subjects' stay in Miami.

In addition, HAMBLIN requested any intelligence information that Miami may have on F[redacted] S[redacted].

On January 23, 1973, Sergeant MILLER called HAMBLIN and advised that BALISTRIERI, DiSALVO and NECHY arrived in Miami on January 17, 1973, and stayed at the AMERICANA HOTEL until Friday, January 19, 1973. By that time, they had been subpoenaed before the Federal Grand Jury. On Friday, they moved out of the AMERICANA and it is not known where they went from there.

MILLER further advised that F[redacted] S[redacted] arrived in Miami on January 18, 1973. He said that intelligence information indicated that S[redacted] met with M[redacted] C[redacted] and D[redacted] Y[redacted], possibly at J[redacted] F[redacted]'S restaurant in Oakland Park, Florida. (On 1-31-73, HAMBLIN received the attached background information and photographs of C[redacted] and Y[redacted] from Sergeant MILLER.)

MILLER did not know why BALISTRIERI, DiSALVO and NECHY were subpoenaed or what the Grand Jury was investigating. MILLER also did not know the purpose of the meeting between S[redacted], C[redacted] and Y[redacted].

GHH:so
cc: OC-1

RECEIVED

FEB 23 1973

DCI	·	CIIC	

OC-1-111

RECEIVED
S. E. District
JAN 31 1973

NAME: C[redacted], M[redacted]

ALIASES: The subject legally changed his name to J[redacted] M[redacted] in 1955. He is also known as J[redacted] M[redacted], M.J. Monette, "Shoes", "Heels".

CHARACTERIZATION: He is reported to be a member of the S[redacted] G[redacted] "family" of Chicago.

ASSOCIATES: S[redacted], G[redacted] A[redacted], S[redacted] G[redacted] P[redacted] A[redacted], C[redacted] N[redacted], R[redacted] P[redacted], W[redacted] A[redacted], J[redacted] A[redacted].

IDENT. NUMBERS: FBI #[redacted]
IR #E51771

DESCRIPTION: White, male, Italian, born [redacted], 5'7", 154 pounds.

RESIDENCE: [redacted], Oak Park, Ill.

BUSINESS and REAL ESTATE INTERESTS: The subject was formerly listed as a salesman for the now defunct Twin Foods Corporation. Some sources believe he has a financial interest in various night clubs in the Rush Street area.

CRIMINAL HISTORY: The subjects arrest record dates back to 1929 when he was first arrested for auto theft. He has recently been found guilty of attempted extortion in the state of Nevada. He has been interrogated on several occasions relative

CONVERTED
DATE DEC 20 1972 INIT SG

ALIASES: D[redacted] Y[redacted], D[redacted] M[redacted]

CHARACTERIZATION: In 1963, a United States Senate Subcommittee on Organized Crime identified Y[redacted] as a non-member associate of the Italain Mafia Organization of Chicago. He is alleged to be the representative for the Chicago interests in the South Florida area.

ASSOCIATES: I[redacted] P[redacted], S[redacted] G[redacted], J[redacted] C[redacted] (Chicago), E[redacted] H[redacted], T[redacted] A[redacted], P[redacted] S[redacted], J[redacted] M[redacted], F[redacted] R[redacted], M[redacted] L[redacted], and numerous members of the Chicago criminal element.

CONTROL DATE JUL 11 1972 INIT

IDENT. NUMBERS: FSB File #R802-316-17 #14 Miami Beach PD #C-1671
FBI [redacted] Chicago PD #D-14360
Internal Revenue #D-14360

DESCRIPTION: White, male, born [redacted], Chicago, Ill., 172 lb 5'8½", medium build, brown hair, blue eyes, medium complexion, pock mark on forehead.

CITIZENSHIP: United States Citizen.

RESIDENCE: [redacted], Miami Beach; [redacted], Chicago.

FAMILY and HISTORY: Wife: P[redacted]
Sons: R[redacted] and L[redacted]

R[redacted] Y[redacted], son of D[redacted] Y[redacted], is reported to be very active in criminal activities in the Chicago area.

BUSINESS and REAL ESTATE INTERESTS: Reliable intelligence sources have reported that Y[redacted] has interests in the A-1 Uniform and N & E Sales of Chicago. It has been reliably reported that he was in the automobile business in Chicago, Los Angeles and the South Florida area.

CRIMINAL HISTORY: His criminal record dates back to 1930 which reflects arrest for robbery, burglary, larceny murder. He has been suspected of being involved in numerous gangland killings in the Chicago area. He was a primary suspect in the murder of James Ragen, Continental Wire Service, Chicago and the murder of Lt. Drury, of the Chicago Police Department in 1947.

VEHICLES: 1966 Oldsmobile Sedan, Ill. Lic. (1966) 838-936

TRAVEL HABITS: He divides his time between Chicago, Los Angeles and the South Florida area.

PERSONAL HABITS and LOCALITIES FREQUENTED: While in the South Florida area, he can be located in the mornings at the Bayshore Club, Miami Beach, consorting with the visiting and local criminal element. He is described as being an avid golfer, a quiet liver and is not known to drink excessively. He is reported to have very few girlfriends.

CONTROLLED
JUL 11 1967
DATE INIT

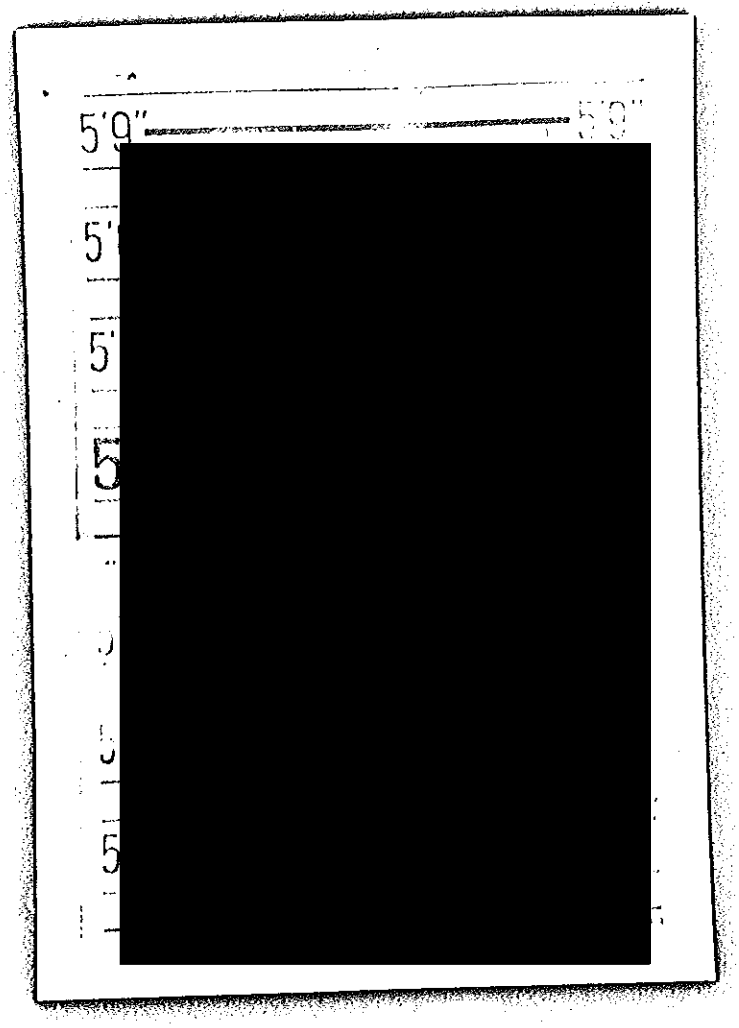
CURRENT ACTIVITY: Reliable intelligence sources have reported that he spends most of his time with his partner, I[redacted] F[redacted], operating his laundries and merchandising stores in the Chicago area.

He is suspected of being the head of a nationwide bookmaking operation.

to gangland murders.

C[redacted] is alleged to be connected with gambling on the near North side of Chicago. He is also prominent in gambling activity in the State of Nevada.

CURRENT ACTIVITY: C[redacted] is a seasonal visitor to the South Florida area, and while there, he consorts with Mafia members and principal non-member associates from the Chicago area.


5'9"
5'9"

CASE ACTIVITY REPORT
DJ-DCI-25

W..CONSIN DEPARTMENT OF JUST..E
Division of Criminal Investigation — Operations
123 W. Washington Ave.
Madison, Wisconsin 53703

Date: February 16, 1973

Case No.: OC-1

INVESTIGATORS: Special Agent Walter A. Younk

SUBJECT OF INVESTIGATION: FRANK P. BALISTRIERI

On February 15, 1973, Det. JOHN EVANS, Intelligence Section, New Orleans (Louisiana) Police Department, contacted the Milwaukee D.C.I. office by telephone and advised as follows:

A member of the New Orleans Police Department overheard remarks by a local motel owner that "No. 1 from Milwaukee", referred to as FRANK and with a last name starting with "B" was coming to New Orleans for the Mardi Gras (February 24 to March 6) and would be accompanied by a judge from Milwaukee.

The motel owner, J[redacted] or J[redacted] K[redacted], runs the CONGRESS INN near New Orleans; he said the two men from Milwaukee had reservations at his place.

K[redacted], who apparently had been drinking, boasted that "No. 1 from Milwaukee" was a "big man", a close associate of the Miami "family" chief, T[redacted], and other top syndicate leaders.

EVANS was advised of FRANK BALISTRIERI'S full name and given some basic facts on his position in Milwaukee. A photo, containing ID information, was forwarded to EVANS.

EVANS will advise this office as soon as he has developed additional information.

WAY:el

RECEIVED

FEB 23 1973

DCI	-	CIIC

OC-1-112

CASE ACTIVITY REPORT
DJ-DCI-25

WISCONSIN DEPARTMENT OF JUSTICE
Division of Criminal Investigation — Operations
123 W. Washington Ave.
Madison, Wisconsin 53703

Date: February 22, 1973

Case No.: OC-1

INVESTIGATORS: Special Agent Thomas J. Steingraeber TJS.

SUBJECT OF INVESTIGATION: FRANK P. BALISTRIERI

On Tuesday, February 20, 1973, Special Agent CHARLES BROWN of the F.B.I., Milwaukee, came to the Milwaukee D.C.I. Office andmet with Special Agent THOMAS STEINGRAEBER. Special Agent STEINGRAEBER advised Special Agent BROWN of the information obtained relative to FRANK P. BALISTRIERI'S alleged, prospective, trip to New Orleans, Louisiana. (reference OC-1-112) Special Agent STEINGRAEBER had been advised to disseminate this information to F.B.I. agents. Special Agent BROWN advised that the F.B.I. would conduct a complete investigation and surveillance if BALISTRIERI does make the alleged trip. They will provide the Wisconsin Department of Justice with any intelligence information and photographs of any surveillances, if the event does materialize.

Special Agent BROWN advised that FRANK BALISTRIERI'S 1972 red and white Cadillac, L63-421, had been parked at [redacted], Milwaukee, last Tuesday, February 13, 1973, and Wednesday, February 14, 1973. He advised that one S[redacted] V[redacted] resides at that address. He states the F.B.I. does not have anything on V[redacted] in their files.

Special Agent BROWN advised that FRANK BALISTRIERI also uses the following vehicles: a Mercury, Wisconsin license X79-211, which is listed to BENEDETTA BALISTRIERI and a T-Bird, Wisconsin license A30-679, listed to JOE BALISTRIERI. In addition, Special Agent BROWN states, FRANK BALISTRIERI has rented cars from J[redacted] W[redacted] FORD LEASING, on different occasions.

TJS:ms
cc: OC-199

RECEIVED
MAR 5 1973
DCI · CIIC

OC-1-113

April 24, 1973

Mr. Robert J. Wenzel
General Security Supervisor
Wisconsin Telephone Company
324 East Wisconsin Avenue
Milwaukee, Wisconsin 53202

Re: OC-1

Dear Mr. Wenzel:

Would you please furnish copies of all bills and toll statements for the telephone number [redacted] or any other number that supersedes [redacted], billed in the months of November 1972 through April 1973. The above telephone is listed and/or billed to Antonina Balistrieri, 3045 North Shepard Avenue, Milwaukee, Wisconsin.

This information, which is requested as part of an official criminal investigation being conducted by this office, will not be disclosed or made public without the issuance of a subpoena directed to Mr. R[redacted] W[redacted] or his designate.

Please advise Special Agent Walter A. Younk at telephone number [redacted] when this information is available for examination by one of our agents.

Thank you for your assistance in this and previous matters.

Sincerely,

FRANK A. MEYERS
Acting Administrator

RECEIVED
APR 24 1973

WAY:sk

DCI			CHC

OC-1-114

May 1, 1973

Mr. Robert J. Wenzel
General Security Supervisor
Wisconsin Telephone Company
324 East Wisconsin Avenue
Milwaukee, Wisconsin 53202

Re: OC-1

Dear Mr. Wenzel:

Would you please furnish copies of all bills and toll statements for the telephone number [redacted], or any other number that supersedes [redacted], billed in the months of November 1972 through April 1973. The above telephone listed and/or billed to John Balistrieri, 3043 North Shepard Avenue, Milwaukee, Wisconsin

This information, which is requested as part of an official criminal investigation being conducted by this office, will not be disclosed or made public without the issuance of a subpoena directed to Mr. R[redacted] W[redacted] or his designate.

Please advise Special Agent Walter A. Younk at telephone number [redacted] when this information is available for examination by one of our agents.

Thank you for your assistance in this and previous matters.

Sincerely,

FRANK A. MEYERS
Acting Administrator

WAY:el

RECEIVED

MAY 7 1973

DCI			CIIC

OC-1-115

CASE ACTIVITY REPORT
DJ-DCI-25

WISCONSIN DEPARTMENT OF JUSTICE

Division of Criminal Investigation – Operations
123 W. Washington Ave.
Madison, Wisconsin 53703

Date: May 4, 1973

Case No.: OC-1

INVESTIGATORS: Special Agent Alfred F. Suhr and Assistant Director Herbert L. Krusche

SUBJECT OF INVESTIGATION: FRANK P. BALISTRIERI

During the late evening hours of May 1, 1973, and the early morning hours of May 2, 1973, Assistant Director KRUSCHE and Special Agent SUHR toured various locales in the downtown and lower eastside areas of Milwaukee for the purpose of determining what activities FRANK BALISTRIERI and other organized crime figures are currently engaging in, and the following observations were made:

10:10 p.m.: The white over maroon two door Cadillac bearing Wisconsin plates 73/L63-421 driven by FRANK BALISTRIERI was observed parked in front of 1634 North Jackson Street, PETER BALISTRIERI'S home. There were many lights on in the upstairs area of the home which is occupied by JENNIE ALIOTO.

10:15 p.m. - 10:45 p.m.: A.D. KRUSCHE and S/A SUHR entered PITCH'S LOUNGE, 1801 North Humboldt Avenue. PETER PICCIURRO was tending bar and seated on A.D. KRUSCHE'S left was a Mexican male later identified as F[redacted] M[redacted]. M[redacted] is the owner of M[redacted]S EAST on East North Avenue and M[redacted]'S SOUTH on South 6th Street and West Bruce Street. A.D. KRUSCHE and S/A SUHR engaged M[redacted] in light conversation basically revolving around M[redacted]'S former association with H[redacted] M[redacted]. M[redacted] claimed that about two or three months ago M[redacted] was in the Chicago, Illinois, area. PETER PICCIURRO, as if M[redacted] were not aware of it, pointed out to M[redacted] that KRUSCHE and SUHR were State investigators. At approximately 10:35 p.m., Attorney NICHOLAS CATANIA came into the bar area, said hello to KRUSCHE and SUHR, and then was observed seated in the dining room with a young female. It is possible there was another person at the table with CATANIA, but SUHR was not able to observe anyone else.

10:50 p.m.: FRANK BALISTRIERI'S car still observed parked in front of 1634 North Jackson Street.

11:00 p.m.: The following vehicles were observed parked behind PETER BALISTRIERI'S house:

1973 Oldsmobile, two door, white over blue, bearing Wisconsin plates 73/K-8195. This vehicle is listed to L[redacted] P[redacted], [redacted], Milwaukee.

RECEIVED
MAY 15 1973
DCI CIIC

TC - Ernie Smith - 8/28/83 - by

OC-1-116

1970 Buick, four door, bearing Wisconsin plates 73/Y10-917, listed to LEONARD J. DREWEK, 1634 North Jackson Street. DREWEK is PETER BALISTRIERI'S son-in-law.

1966 black over white Cadillac, four door, bearing Wisconsin plates 74/C53-059. This car is also listed to DREWEK but is driven by PETE BALISTRIERI.

11:15 p.m. - 11:30 p.m.: A.D. KRUSCHE and S/A SUHR entered LITTLE CAESAR'S COCKTAIL LOUNGE, 1728 North Water Street, Milwaukee, Wisconsin, where they engaged in conversation with V[redacted] M[redacted]. Among other things, M[redacted] confirmed that the F[redacted] family was selling out their business on 11th and West Wells Street to some unidentified colored people who are currently negotiating for a federal loan. M[redacted] further confirmed that J[redacted] F[redacted] sold his business in Florida.

11:30 p.m.: FRANK BALISTRIERI'S car still observed parked in front of 1634 North Jackson Street.

11:40 p.m. - 12:00 M: A.D. KRUSCHE and S/A SUHR entered the TOWNE ROOM, 723 North 3rd Street, Milwaukee. They engaged in light conversation with J[redacted] P[redacted], the owner.

12:10 a.m. - 12:45 a.m.: A.D. KRUSCHE and S/A SUHR entered the AD LIB, 323 West Wells Street, Milwaukee. JOE ENEA was observed seated at the east end of the bar talking with an unidentified white male. The bartender, unknown to either A.D. KRUSCHE or S/A SUHR, was later addressed by ENEA as PAUL. At approximately 12:35 a.m., J[redacted] F[redacted] accompanied by a white male believed to be E[redacted] C[redacted] entered the bar, went to the west end, and engaged the bartender PAUL in conversation. S[redacted] B[redacted] was acting as hostess/waitress.

AFS:so

TC - Ernie 8/29/83 - by

AO 75

DEPARTMENTAL CORRESPONDENCE

Date: May 14, 1973

To: Herbert L. Krusche, Assistant Director

From: Frank A. Meyers, Acting Administrator
Division of Criminal Investigation

Subject: Data, Bad Debts Re Balistrieri et al and Schlitz Brewery

At lunch today the Executive Assistant stated that you had compiled or had information reference a series of bad debts written off by the Schlitz Brewery to Frank Balistrieri et al. I assume he is referring to the fact of previous debts where taverns closed, perhaps purchase of real property, etc., and perhaps you know of what he speaks better than I do.

At any rate would you have a Special Agent, or you, yourself, compile a report of any documented information we have reference the Schlitz corporation having bad debts with Frank Balistrieri or to anyone directly associated with Frank which could be traceable to the Balistrieri controlled situation.

Frank A. Meyers

mlb

S. E. District
MAY 1 1973

May 21, 1973

Frank A. Meyers, Acting Administrator

S/A Walter A. Younk (through Herbert L. Krusche, Assistant Director)

FRANK P. BALISTRIERI - Business Relationships with the JOSEPH SCHLITZ BREWING CO., Milwaukee

In compliance with request set out in memo from Acting Administrator MEYERS to Assistant Director KRUSCHE, subject: "Data, Bad Debts re BALISTRIERI et al and SCHLITZ BREWERY," dated May 14, 1973, I researched Milwaukee D.C.I. reports for information reflecting financial dealings between SCHLITZ and FRANK P. BALISTRIERI and his business interests.

Aside from beer purchases from SCHLITZ by the various BALISTRIERI night clubs through the years (most of the places were charged with beer credit law violations), several significant matters are documented herein.

1. Indebtedness incurred by GALLAGHER'S

FUB, INC., d/b/a GALLAGHER'S at 829-33 North Third Street, Milwaukee, obtained the original lease for the premises with SCHLITZ in 1954, with signatories including FRANK BALISTRIERI, PETER BALISTRIERI and J[redacted] D[redacted]. Corporate name was changed to TRADEWINDS, INC., in about 1958, but management remained unchanged.

Provisions of the original lease ($400 per month rent) remained in effect right up to the time the building was torn down and the property sold to W[redacted] I[redacted] in 1970.

By late 1969, GALLAGHER'S was indebted to SCHLITZ by over $33,000, with roughly half representing unpaid real estate taxes and the other half representing delinquent rent.

SCHLITZ accountants based their tax delinquency figure on terms of the original lease, whereby SCHLITZ would pay real estate taxes on the property up to $1,500 annually, and GALLAGHER'S would pay a percentage of taxes in excess of $1,500 a year. According to the SCHLITZ accountants, however, there allegedly was a verbal agreement made subsequently between FRANK BALISTRIERI and a SCHLITZ official whereby SCHLITZ would pay all real estate taxes in exchange for

certain improvements to be made by GALLAGHER'S. Although the official (a Mr. M[redacted]) denies such an agreement, SCHLITZ was reluctant to push the issue and apparently didn't want to tangle with FRANK BALISTRIERI.

The SCHLITZ accountants at this time (1969) said it was unlikely that an attempt would be made to collect the monies due, explaining that the property was in poor repair, would be difficult to rent to someone else, and consequently some income was better than none.

From late 1969 to early 1971, I had periodic contact with the head of SCHLITZ'S real estate section, a Mr. J[redacted] H[redacted].

In late 1969, GALLAGHER'S closed and moved out without notifying SCHLITZ. Naturally, the rent delinquency increased $400 each month. SCHLITZ sent a representative to the place, but he couldn't find anyone. He did determine that the water had been shut off.

I checked with the city water department and found that between December, 1968, and October, 1969, GALLAGHER'S had not paid the water bill. Consequently, $1,254.32, the total amount owed, was placed on the city property tax rolls for collection. This amount ultimately was added to SCHLITZ'S tax bill.

The property was sold by SCHLITZ to W[redacted] I[redacted] early in 1970. The building was torn down and the space turned into a parking lot. The transaction, according to H[redacted], was a contractual sale involving about $200,000 to be paid off by I[redacted] at eight percent interest over five years.

Subsequent contacts with H[redacted] indicated SCHLITZ was not very interested in pursuing collection of these debts. As of March, 1971, the GALLAGHER account had not even been audited, so a definite dollar figure of the indebtedness was not known. A decision as to what action would be taken, if any, was contingent upon this audit.

On May 17, 1973, H[redacted] was contacted to determine final disposition of this matter. He stated that, according to the SCHLITZ accounting department, the indebtedness was written off as uncollectable. The amounts involved were $36,260.18, representing unpaid rent and taxes, and the unpaid water bill of $1,254.32.

2. KINGS IV - Property Purchased from SCHLITZ

In 1967, Attorney JOSEPH P. BALISTRIERI, FRANK'S son, bought a four story building at 720 North Water Street, Milwaukee, for about $80,000 from the SCHLITZ BREWERY through the Wuesthoff Realty Co., a SCHLITZ subsidiary headed by ERWIN C. UIHLEIN. JOEY put about $125,000 into remodeling of the building and ran a night spot called the KINGS IV for several years. The $125,000 figure represents what J[redacted] contracted for...many creditors still have not been paid. In late 1970, after about six months of negotiations with FRANK BALISTRIERI, the First Federal Savings & Loan Association purchased the property as part of their expension program for $600,000. In addition, FFSL granted the BALISTRIERIs many concessions that in effect raised the payment price about another $50,000.

The original purchase by J[redacted] in 1968 was made without fanfare and with no apparent competing bidders. This in itself was suspicious since the property was located in a downtown area that was being renovated.

Efforts to obtain some insight into the FFSL purchase in 1970 met with limited success because of the obvious reluctance of FFSL officials to be candid. The president of FFSL, R[redacted] S. B[redacted], claimed, however, that his company was ignorant of the fact SCHLITZ had put the property up for sale originally, adding that FFSL would have been eager to buy it at that time if they had known it was available.

We had theorized that this deal indicated that FRANK BALISTRIERI had an inside track into SCHLITZ, since it would violate all accepted business concepts not to look for the highest bidder when offering property for sale.

However, Mr. H[redacted], the head of SCHLITZ real estate section, volunteered information on May 17, 1973, tending to contradict this theory. H[redacted] stated that when SCHLITZ decided to sell 720 North Water Street, FFSL was one of several financial institutions in the area that was contacted and asked to buy, but declined. H[redacted] recalled the asking price was about $75,000. In retrospect, he was surprised at FFSL'S decision because he recalled that about two years later FFSL bought the building from the BALISTRIERIs for about a half million dollars. This was a spontaneous observation by H[redacted], and not made as a result of direct questions, which would lend credence to his story.

3. BRASS RAIL - Property purchased from SCHLITZ

In September, 1968, Attorney JOSEPH P. BALISTRIERI purchased the BRASS RAIL, a strip-joint tavern at 744 North Third Street, Milwaukee, from the SCHLITZ BREWING CO. Records show that BALISTRIERI mortgaged this property to the CONTINENTAL BANK & TRUST CO. for the sum of $63,000.

Our files contain no information indicating this was not a regular, legitimate business transaction. If there was an under-the-table aspect, this is known only to the principals.

* * * * * * * * * * * * *

On May 12, 1973, ledger cards reflecting beer purchase accounts for seven so-called BALISTRIERI taverns (5 of which have closed) were examined in the office of Mr. DENNIS R. SCHEERENBERGER, manager, City Sales Office, SCHLITZ BREWING CO., 6800 North Teutonia Avenue, Milwaukee.

Accounts for the defunct taverns (DOWNTOWNER, GALLAGHER'S, BRASS RAIL, KINGS IV and ALFIE'S) were closed with zero balances. Most of these accounts were put on a C.O.D. basis simultaneously with the State's beer and liquor credit cases in 1968 and 1969.

Ledger cards for the two remaining taverns (AD LIB and BALS, INC., now known as the CENTRE STAGE) show that the AD LIB is on a C.O.D. basis, but the card was closed with a zero balance. BALS' account is satisfactory and shows a balance of $48.45 on April 12, 1973.

SCHEERENBERGER stated that none of the accounts was ever turned over to a collection agency.

File: OC-1

WAY:so

CASE ACTIVITY REPORT
DJ-DCI-25

WISCONSIN DEPARTMENT OF JUSTICE
Division of Criminal Investigation — Operations
123 W. Washington Ave.
Madison, Wisconsin 53703

Date: June 13, 1973

Case No.: OC-1

INVESTIGATORS: A.D. Herbert L. Krusche

SUBJECT OF INVESTIGATION: FRANK BALISTRIERI

Special Agent JAMES GRAHM of the Milwaukee FBI Office met with A.D. KRUSCHE on June 13, 1973 and showed A.D. KRUSCHE an FBI report relating to an interview with a supposed informant identified as [redacted]. Agent GRAHM advised that the informant identified as [redacted] was originally developed by the Bureau of Narcotics and Dangerous Drugs. The interview that GRAHM showed A.D. KRUSCHE was dated June 7, 1972. Agent GRAHM asked A.D. KRUSCHE to review the report and comment on the information given by [redacted] that related to the BALISTRIERI organization in Milwaukee. It was obvious to A.D. KRUSCHE that the information set out in the FBI report was the same information that our agents had received several months ago (see OC-1-110) from another federal source. Our agency did not have the benefit of the informant's name when we received the earlier information, but the content of our original information and that shown to A.D. KRUSCHE by GRAHM was obviously the same. A check of our files on [redacted] revealed that he was mentioned in serial OC-4-29. OC-4-29 was a summary of information taken from the checking account of BALS, INC., a/k/a THE SCENE, located at 624 North 2nd Street. The reference on this material in regard to a [redacted] is as follows:

A check #161 dated 2/28/72, for the amount of $43.50, was made out to [redacted] and cashed. The check in question was from the BALS, INC. account #1107-925, at the HERITAGE BANK of Milwaukee.

Special Agent GRAHM advised that the Milwaukee FBI Office is in contact with [redacted], who supposedly is presently residing somewhere in the area, and that they are going to conduct additional interviews to pinpoint various statements that were not accurate. GRAHM asked A.D. KRUSCHE if there were any questions that he felt should be clarified, and A.D. KRUSCHE did give GRAHM a list of things that should be asked of [redacted]. A.D. KRUSCHE advised GRAHM that after reviewing the information given by [redacted], it was his feeling that [redacted] possibly worked for the BALISTRIERI organization in a limited manner and heard many of the things second and third-hand that he described to the interviewers. A.D. KRUSCHE advised GRAHM that he felt that BALISTRIERI would not entrust [redacted] with some of the activities that were described in the interviews in question. According to GRAHM, [redacted] has an extensive police record, including federal offenses for interstate transportation of stolen automobiles. GRAHM said he felt that [redacted]'S motive for giving the information was to have his long record purged.

RECEIVED
JUN 19 1973

HLK:so

DCI		CHC	

OC-1-118

CASE ACTIVITY REPORT
DJ-DCI-25

WISCONSIN DEPARTMENT OF JUSTICE
Division of Criminal Investigation — Operations
123 W. Washington Ave.
Madison, Wisconsin 53703

Date: June 22, 1973

Case No.: OC-1

INVESTIGATORS: Special Agent Harold S. Engelbart and Assistant Director Herbert Krusche

SUBJECT OF INVESTIGATION: FRANK P. BALISTRIERI

At approximately 11:35 p.m. on June 18, 1973, A.D. KRUSCHE and S/A ENGELBART observed the 1971 two door Cadillac, license #L63-421, normally driven by FRANK BALISTRIERI, parked on Wells Street in front of the AD-LIB cocktail lounge at 323 West Wells Street, Milwaukee, Wisconsin.

S/A ENGELBART entered the AD-LIB cocktail lounge and observed FRANK BALISTRIERI sitting at the east end of the bar facing toward the door. He was talking to an elderly white male who was seated with his back toward S/A ENGELBART. There were approximately ten male patrons seated at the bar and a female semi-nude dancer on the stage at the time.

A.D. KRUSCHE and S/A ENGELBART then proceeded to take license numbers of the vehicles parked in front of the AD-LIB. The following license numbers and registered owners were obtained:

S76-728 M[redacted] S[redacted], West Allis

N57-775 I[redacted] G[redacted], '69 Dodge 2 door

D27-829 D[redacted] F[redacted], Sheboygan

L84-763 J[redacted] F[redacted], Milwaukee

Q27-829 R[redacted] or N[redacted] W[redacted]
Route [redacted], Wild Rose

W96-085 N[redacted] K[redacted], Menomonee Falls

H78-220 JOE ENEA, '63 Cadillac 4 door, expired April, 1973
[redacted]

RECEIVED
JUN 27 1973

HSE:so

DCI			C.C

OC-1-119

CASE ACTIVITY REPORT
[illegible]

WISCONSIN DEPARTMENT OF JUSTICE
Division of Criminal Investigation - Operations
123 W. Washington Ave.
Madison, Wisconsin 53703

Date: June 26, 1973

Case No.: OC-104

INVESTIGATORS: A.D. Herbert Krusche HK

SUBJECT OF INVESTIGATION: SALLY PAPIA and FRANK BALISTRIERI

A.D. KRUSCHE met with OCI-18 in SALLY'S STEAK HOUSE, located in the Kaiser Knickerbocker Hotel in Milwaukee, between 10:15 p.m. and 11:00 p.m. on Monday, June 18, 1973. The SK-8 was used to transcribe the meeting on tape. Special Agent HARRY ENGELBART monitored the meeting and the tape is filed as OCI-18-1A-2.

OCI-18 advised that STEVE DiSALVO and F[redacted] S[redacted] had been observed on several occasions in the past several weeks cruising the area around SALLY'S STEAK HOUSE. OCI-18 said that FRANK BALISTRIERI continues to be very hostile toward SALLY because she has been seen talking with A.D. KRUSCHE on occasion while KRUSCHE has been eating in her restaurant. Neither FRANK BALISTRIERI nor his son JOSEPH BALISTRIERI have been in SALLY'S STEAK HOUSE for approximately six months. OCI-18 said that FRANK BALISTRIERI is also very angry with JAMES JENNARO, the manager of SALLY'S STEAK HOUSE, because JENNARO did not attend his son JOHN BALISTRIERI'S party at the CENTRE STAGE theater several weeks ago. OCI-18 said that BALISTRIERI had a complete list of those in attendance and that the word has gone out to those Italians who did not attend that FRANK BALISTRIERI was not happy. OCI-18 said that the party was held for several purposes: 1) to introduce JOHN as a new attorney to any public officials or influential people who would attend the party; 2) to influence many of the local hoodlums who were in attendance that the BALISTRIERIs still have clout with prominent people in local government; 3) for the purpose of collecting money for JOHN BALISTRIERI. OCI-18 said that all of the prominent Italians, including many hardcore organized crime figures, were obligated to give anywhere from $50.00 on up as a tribute, in respect for FRANK BALISTRIERI, the boss of the local L.C.N. group.

OCI-18 advised that the strained relationship between BALISTRIERI and SALLY could very well lead to another gangland murder in the Milwaukee area. OCI-18 advised that SALLY has been advised on several occasions that until she is able to keep A.D. KRUSCHE out of her restaurant, she will be suspected of having given information and as acting as an informant. OCI-18 said that physical harm to SALLY has only been diverted as a result of her continued associations with FRANK BUCCIERI, brother of FIORE BUCCIERI, a prominent organized crime figure from Chicago. OCI-18 said that BUCCIERI still pays frequent visits to SALLY at her residence in Wauwatosa and to the steak house for the purpose of keeping the local mob off her neck.

RECEIVED
JUL 9 1973

DCI			CIIC

HK.

OC-1-120

OCI-18 confirmed the fact that FRANK BALISTRIERI is without a doubt the head of the Mafia in Milwaukee. He said that BALISTRIERI took over in about 1962 from his father-in-law JOHN ALIOTO. He said that JOHN ALIOTO was not too happy with BALISTRIERI taking over because JOHN actually wanted his younger son, J[redacted] A[redacted], to take over control of the Milwaukee area mob. OCI-18 said that FRANK BALISTRIERI was able to get enough support through Milwaukee PHIL ALDERISIO of Chicago so that he received the vote to take over rather than J[redacted] A[redacted]. OCI-18 said that this is one of the main reasons why the old man JOHN ALIOTO never really liked FRANK BALISTRIERI. OCI-18 said that J[redacted] A[redacted] died at a young age, shortly after BALISTRIERI was picked to take over the local L.C.N. group in the early 1960's.

OCI-18 advised that F[redacted] S[redacted] freely brags and discusses his involvement in the murders of ANTHONY BIERNAT, the Kenosha jukebox operator, JACK ENEA, and ISADORE POGROB when he is with other L.C.N. members.

OCI-18 said there is no doubt whatsoever that STEVE DiSALVO is right under FRANK BALISTRIERI when it comes to the line of command in the local L.C.N. group. OCI-18 confirmed the fact that JOSEPH CAMINITI is also in the upper echelon of the local group, that CAMINITI is clean on the surface and meets only on rare occasions with FRANK BALISTRIERI. JOSEPH CAMINITI is supposedly the big connection with the Teamsters Union and the obtaining of loans through the Teamsters Pension Fund. OCI-18 further advised that SALLY PAPIA has made statements that if FRANK BALISTRIERI were to hurt her, "all hell would break loose from the BUCCIERI gang in Chicago." OCI-18 said that FRANK BUCCIERI has no business interests in the Milwaukee area and that his only interest here is SALLY PAPIA. OCI-18 said that FRANK BUCCIERI is still trying to get SALLY to marry him but that she does not want to do so. OCI-18 said that SALLY realizes that FRANK BUCCIERI is important to her safety and she does not want to drop him at this time.

OCI-18 also advised that after A.D. KRUSCHE approached SALLY about a month ago and advised her that her cook, KURT AMIDZICH, had dropped one of A.D. KRUSCHE'S steaks on the floor and put it back on the plate, SALLY was furious and both she and JIMMY JENNARO called AMIDZICH into the office. OCI-18 said that JIMMY JENNARO physically assaulted AMIDZICH and advised him that if he ever did anything like this again he would be fired and have additional problems. JENNARO advised AMIDZICH that he would not stand for SALLY losing her business or having it closed because of his foolishness. JENNARO supposedly advised AMIDZICH that A.D. KRUSCHE was a "vindictive bastard" and that SALLY is lucky

that the place has not been closed already and that he (AMIDZICH) is not in jail. OCI-18 advised that SALLY'S bartender, R[redacted] E[redacted], received a telephone call from his brother JOSEPH ENEA (JOSEPH ENEA works as a bartender and front man for FRANK BALISTRIERI) on the Monday after the party for JOHN BALISTRIERI at the CENTRE STAGE theater. JOSEPH ENEA asked his brother R[redacted] why he had not attended the party for JOHN BALISTRIERI. R[redacted] E[redacted] said that he did not feel like it and he had something else to do. JOSEPH ENEA advised R[redacted] that the "old man" was upset because he had not attended and went on to ask whether or not SALLY had told him not to attend. R[redacted] E[redacted] denied that SALLY told him not to attend and said that he was just too busy to attend. OCI-18 further states that SALLY believes that F[redacted] S[redacted] was working for her a short time as a plant. He said that SALLY fired S[redacted] after she caught him stealing from her.

OCI-18 said that FRANK BALISTRIERI is currently planning to go to Italy with his wife and one daughter. He said that there is some concern that either SALLY PAPIA or JIMMY JENNARO may be hit while BALISTRIERI is out of the country. OCI-18 said that there is no doubt whatsoever that BALISTRIERI is very upset with SALLY for her constant disrespect for him and for the fact that she has been able to get R[redacted] E[redacted] and JIMMY JENNARO over to her side and that they are both also not recognizing FRANK BALISTRIERI for his position as the boss. He said that both JIMMY JENNARO and R[redacted] E[redacted] have been requested to come back to work for BALISTRIERI but that they have turned him down. OCI-18 said that "you just don't turn down the boss and get away with it." OCI-18 said that he will advise when BALISTRIERI leaves the country.

OCI-18 also advised that LOUIS FAZIO was engaged in some activity in the Milwaukee area with representatives of the Chicago mob while BALISTRIERI was in prison. LOUIS FAZIO was not making his contributions to BALISTRIERI on this venture, which was purported to be something to do with the construction or real estate business. OCI-18 advised that as boss, BALISTRIERI expects a piece of the action no matter what legal or illegal venture any of the Italian underlings are involved in. He said that about three years ago BALISTRIERI was very upset with LOUIS FAZIO because he was not turning over a fair proceed of his gambling activities to BALISTRIERI, and at that time, BALISTRIERI threatened to roll him up in a carpet and dump him on Fifth Street in Milwaukee. This particular statement was overheard by OCI-18 at the SCENE nightclub owned by BALISTRIERI.

HLK:so

OCI-18

CASE ACTIVITY REPORT
DJ-DCI-25

WISCONSIN DEPARTMENT OF JUSTICE
Division of Criminal Investigation — Operations
123 W. Washington Ave.
Madison, Wisconsin 53703

Date: July 9, 1973

Case No.: OC-1
cc: OC-197

INVESTIGATORS: Special Agent Alfred F. Suhr

SUBJECT OF INVESTIGATION: FRANK P. BALISTRIERI - Residence Toll Checks

On May 1, 1973, written requests for toll checks on telephone number [redacted], listed to JOHN BALISTRIERI, and telephone number [redacted], listed to ANTONINA BALISTRIERI, FRANK BALISTRIERI'S younger son and wife respectively, both with residence listed as 3043 North Shepard Avenue, Milwaukee, Wisconsin, were forwarded to the WISCONSIN TELEPHONE COMPANY Security Office (reference OC-1-114 and OC-1-115).

During May, 1973, Special Agent SUHR obtained the attached toll checks for the billing period November 1, 1972, through May 1, 1973, for telephone number [redacted], listed to JOHN BALISTRIERI at the North Shepard Street address, which also shows telephone number [redacted] as an auxiliary line. Following is a recapitulation of telephone numbers called:

Date(s) Called	Called Place	Called Number
10-08-72; 10-17-72; 10-29-72	Boulder Creek, Colorado	[redacted]
10-10-72; 10-09-72; 10-17-72; 11-09-72; 11-10-72; 12-09-72; 12-13-72; 12-03-72; 12-14-72; 12-18-72; 11-07-72; 1-16-73; 1-25-73; 2-14-73; 2-16-73; 2-21-73; 2-22-73; 3-02-73; 3-03-73; 3-29-73; 3-01-73; 3-20-73; 3-26-73; 3-29-73; 4-01-73; 4-03-73; 4-10-73; 4-17-73	Valparaiso, Indiana	[redacted]
10-13-73	Chicago, Illinois	[redacted]
10-18-72*	San Francisco, California	
10-20-72	San Francisco, California	

RECEIVED
JUL 18 1973

DCI		CIIC	

HR
xc Balistrieri 8/7/80-HM

OC-1-121

Date(s) Called	Called Place	Called Number
10-26-72*; 10-29-72	San Francisco, California	[redacted]
10-07-72; 11-21-72; 2-22-73; 3-09-73	Chicago, Illinois	
11-11-72	Minneapolis, Minnesota	
11-22-72	New York, New York	
11-23-72	New York, New York	
12-16-72; 12-24-72	Chicago, Illinois	
12-20-72; 3-19-73; 3-03-73	Chicago, Illinois	
10-01-72*; 12-31-72; 1-07-73	New York, New York	
10-08-72	Chicago, Illinois	
1-14-73	Chicago Heights, Illinois	
2-23-73; 2-01-73	Detroit, Michigan	
3-05-73	Chicago, Illinois	
3-07-73	Chicago, Illinois	
3-10-73	Schiller Park, Illinois	
3-15-73	Detroit, Michigan	
3-06-73	Chicago, Illinois	
3-20-73; 4-23-73	Chicago, Illinois	
4-23-73	Galveston, Texas from "CNGAPK," California	
4-23-73	Chicago, Illinois	
4-25-73; 4-16-73	New York, New York	
4-07-73	Chicago, Illinois	
1-28-73	Newport, Vermont	

None of the above numbers appear in the telephone number index of the Milwaukee D.C.I. Office.

Subscriber listings for Wisconsin numbers called were obtained and are as follows:

10-14-72	[redacted] (unpublished)	A[redacted] P[redacted] [redacted] Brookfield, Wisconsin
10-17-72; 11-15-72		B[redacted] E[redacted] [redacted] Elkhorn, Wisconsin
11-18-72		FRANK RANNEY Egg Harbor, Wisconsin
11-06-72		S[redacted] G[redacted] [redacted] Port Washington, Wisconsin
11-26-72; 12-28-72; 2-14-73; 2-23-73		J[redacted] O[redacted] [redacted] Rt. 2, Slinger, Wisconsin
3-21-73		D[redacted] E[redacted]

Dates marked with an asterisk (*) indicate that the telephone calls made on those dates originated from a location other than Milwaukee.

On dates indicated, calls from oversea area indicated were made to telephone number [redacted]:

10-21-72	Rome, Italy
11-18-72; 11-22-72	England

Further, on November 12, 1972, a telegram destined for London, England, was charged to auxiliary telephone number [redacted].

A telephone check on November 10, 1973, with MRS. V[redacted] J[redacted], WISCONSIN TELEPHONE COMPANY Commercial Representative Supervisor, telephone [redacted], revealed that records reflecting details of the above oversea transactions have been destroyed.

AFS:kmj

11 B 000 10 MAY0173 B1- 121 [redacted]

401	VALPARAISO	IND	[redacted]		45	2E	1J	2004
403	VALPARAISO	IND			110	5D	1J	1102
410	VALPARAISO	IND			110	5D	1J	1620
411	GALVESTON	TEX		CNGAPK CAL	355	12E	2J	VN88661355
423	CHICAGO	ILL			60	3D	1J	1023
423	CHICAGO	ILL			94	5D	1J	1129
423	CHICAGO	ILL			60	2D	1J	1116
425	NEW YORK	NY			535	15D	1J	1141

CALLS FROM [redacted]

407	MILWAUKEE	WIS	[redacted]	CHCAGO ILL	95	5E	DJ	H6 1728
416	NEW YORK	NY			395	11D	1J	1533

		BALANCE
DATE		99.75
REST.		
PERM		
DISC.		

JOHN BALISTRIERI
3043 N SHEPARD AV
1 TP MILWAUKEE WIS 53211

S	2604
A	
C	2152
D	
O	
B	5219
1	9975

TSP ANI	TSP ONI	MS	DDD ANI	DDD ONI	TSP ANI	TSP ONI	MS	DDD
A		SENT PD 1	1	0	D	U	COLL 4	
B	S	3rd NO 2			E	V	ENT 5	
C	T	CR CD 3					STRADDLE 8	

CREDIT CODES (CR)
6 CUT OFF
7 POOR TRANS
RECHARGE (+)

WIS. TAX	U.S. TAX
.92	3.85

(R)	TSP ANI	TSP ONI		MS	DDD ANI	DDD ONI	TSP ANI	TSP ONI		MS	DDD
	A	7	SENT PD.	1	1	0	D	U	COLL.	4	
	B	S	3rd NO.	2			E	V	ENT.	5	
	C	T	CR CD.	3					STRADDLE		8

CREDIT CODES (CR)
6 - CUT OFF
7 - POOR TRANS.
RECHARGE (+)

CALLS AND TELEGRAMS

PAGE	TELEPHONE NUMBER
2	[redacted]

CALLED PLACE	AREA	CALLED NUMBER	ORIGINATED FROM	AMOUNT	+	MIN.	CL	R	CR	SERIAL NUMBER	OR	CONN TIME
417 VALPARAISO IND	[redacted]			1 15		8	E	1J		09340871		

U S TAX 1 78 1 78
TOTAL INCL TAXES 21 52

11 8 109 10 APR0173 01 121 [redacted]

302	VALPARAISO	IND	[redacted]		157	11	1J		2014
303	CHICAGO	ILL			135	13LN	1J		1731
303	VALPARAISO	IND			35	1LN	1J		1412
305	CHICAGO	ILL			60	1D	1J		1446
307	CHICAGO	ILL			150	5DP	1J		67058335
309	CHICAGO	ILL			349	20D	1J		1038
310	SCHILLERPK	ILL			45	4LN	1J		2121
315	DETROIT	MICH			285	11D	1J		1257
318	MILWAUKEE	WIS		CHICAGO ILL	65	1L	4J		H979412062
319	CHICAGO	ILL			220	21E	1J		1904
329	VALPARAISO	IND	[redacted]		45	2E	1J		1959

	DATE	BALANCE
	5 7	101.46 52.19
REST.		
TERM		
DISC.		

JOHN BALISTRIERI
3043 N SHEPARD AV
1 TP MILWAUKEE WIS 53211

S	2497
A	
C	2722
D	
O	
B	4927
T	10146

TSP ANI	TSP ONI		MS	DDD ANI	DDD ONI	TSP ANI	TSP ONI		MS	DDD
A	/	SENT PD.	1	1	0	D	U	COLL.	4	
B	S	3rd NO.	2			E	V	ENT.	5	
C	T	CR CD.	3					STRADDLE	8	

CREDIT CODES (CR)
6 - CUT OFF
7 - POOR TRANS.
RECHARGE (+)

WIS. TAX	U.S. TAX
.90	4.24

CALLS AND TELEGRAMS

PAGE	TELEPHONE NUMBER
2	[redacted]

	CALLED PLACE	AREA	CALLED NUMBER	ORIGINATED FROM	AMOUNT	+	MIN.	CL	R	CR	SERIAL NUMBER	OP
	CALLS FROM [redacted]											
301	VALPARAISO IND		[redacted]		2 50		12	D	1J			1312
301	VALPARAISO IND				1 71		12	E	1J			2224
303	VALPARAISO IND				75		7	LN	1J			1958
306	CHICAGO ILL				60		1	D	1J			1238
320	VALPARAISO IND				70		2	D	1J			0925
320	CHICAGO ILL				60		2	D	1J			1206
321	MADISON WIS				50		2	D	1B			0807
326	VALPARAISO IND				70		3	D	1J			1257
329	VALPARAISO IND		[redacted]		1 43		10	E	1J			89029255
WIS	STATE TAX	02	U S TAX	2 25	2 27							
			TOTAL INCL TAXES		27 22							

11 B 108 10 MAR0173 B1- 121 [redacted]

223 DETROIT	MICH313	1 8652	435	1	1J	1305

CALLS FROM [redacted]

201 DETROIT	MICH	[redacted]	310	12D	1J	1126
214 VALPARAISO	IND		297	21E	1J	1723
214 SLINGER	WIS		24	1D	18	1621
216 VALPARAISO	IND		230	11D	1J	1237
221 VALPARAISO	IND		115	8E	1J	1755
222 VALPARAISO	IND		170	8D	1J	1135
222 CHICAGO	ILL		434	25D	1J	1412

BALANCE	DATE	BALANCE
		49.27

JOHN BALISTRIERI
3043 N SHEPARD AV
1 TP MILWAUKEE WIS 53211

S	2497
A	
C	2430
D	
O	
R	
T	4927

WIS. TAX	U.S. TAX
.97	3.99

CREDIT CODES (CR)
6 - CUT OFF
7 - POOR TRANS.
RECHARGE (+)

TSP ANI	TSP ONI		MS	DDD ANI	DDD ONI	TSP ANI	TSP ONI		MS	DDD
A	/	SENT PD.	1	1	0	D	U	COLL.	4	
B	S	3rd NO.	2			E	V	ENT.	5	
C	T	CR. CD.	3					STRADDLE	8	

CALLS AND TELEGRAMS

PAGE 2

TELEPHONE NUMBER [redacted]

	CALLED PLACE	AREA	CALLED NUMBER	ORIGINATED FROM	AMOUNT	+	MIN.	CL	R	CR	SERIAL NUMBER OR	
223	SLINGER WIS		[redacted]		2 06		14	D	18			1111
WIS STATE TAX		09	U S TAX	2 00	2 09							
			TOTAL INCL TAXES		24 30							

11 D 000 10 FEB0173 81- 121 [redacted]

101 MILWAUKEE WIS	[redacted]	NEWYORK NY	150		DJ	RE	2002
117 VALPARAISO IND			137	7D	1J		1520

CALLS FROM [redacted]

1231 MILWAUKEE	[redacted]	NEWYORK NY	170	6E	UJ	RE	1207
107 NLW YORK			50	1LN	1J		1149
108 CHICAGO			199	12D	1J		1440
108 CHICAGO			87	5D	1J		1452
114 CHICAGOHTS			45	2E	1J		1755
116 VALPARAISO			65	2D	1J		1400
125 VALPARAISO			199	14E	1J		2016

22

DATE	BALANCE	39.00
REST		
PERM		
DISC		

JOHN BALISTRIERI
3043 N SHEPARD AV
1 TP MILWAUKEE WIS 53211

SACDOB	2497
	1403
	3900

WIS. TAX	U.S. TAX
.88	3.15

CREDIT CODES (CR): 6 CUT OFF, 7 POOR TRANS, RECHARGE (+)

TSP ANI	TSP ONI		MS	DDD ANI	DDD ONI	TSP ANI	TSP ONI		MS	DDD
A	/	SENT PD.	1	1	0	D	U	COLL.	4	
B	S	3rd NO.	2			E	V	ENT.	5	
C	T	CR. CD.	3					STRADDLE		8

CREDIT CODES (CR): 6 - CUT OFF, 7 - POOR TRANS., RECHARGE (+)

CALLS AND TELEGRAMS

PAGE 2 — TELEPHONE NUMBER [redacted]

CALLED PLACE	AREA	CALLED NUMBER	ORIGINATED FROM	AMOUNT	+	MIN.	CL	R	CR	SERIAL NUMBER	OR	CODE
128 NEWPORT VT	[redacted]			1 85		12	LN	1J				1542

U S TAX 1 16 — 1 16
TOTAL INCL TAXES — 14 03

11 D 000 10 JAN0173 B1 121 [redacted]

1209	VALPARAISO	[redacted]	35	3L	J			1900
1213	VALPARAISO		281	15D	1J			1423
1215	MILWAUKEE	UEENS NY	170	6E	DJ		RJ	1859
1216	CHICAGO		135	13LN	1J			1604
1224	CHICAGO		35	1LN	1J			1557
	CA							
1203	VALPARAISO		85	8LN	1J			1454
1214	VALPARAISO		371	20D	1J			1639
1218	VALPARAISO		45	3E	1J			1703
1220	CHICAGO		480	47E	1J			1933

		BALANCE
	DATE	~~44.89~~
REST		
PERM		
DISC.		

JOHN BALISTRIERI
3043 N SHEPARD AV
1 TP MILWAUKEE WIS 53211

S	2497
A	
C	1992
D	
O	
B	
T	4489

TSP ANI	TSP ONI	MS	DDD ANI	DDD ONI	TSP ANI	TSP ONI	MS	DDD
A	/	SENT PD 1	1	0	D	U	COLL 4	
B	S	3rd NO 2			E	V	ENT. 5	
C	T	CR CD 3					STRADDLE 8	

CREDIT CODES (CR)
6 - CUT OFF
7 - POOR TRANS
RECHARGE (+)

WIS. TAX	U.S. TAX
.95	3.63

CALLS AND TELEGRAMS

PAGE 2 [redacted]

TSP ANI	TSP ONI	MS	DDD ANI	DDD ONI	TSP ANI	TSP ONI	MS	DDD
A	/	SENT PD 1	1	0	D	U	COLL. 4	
B	S	3rd NO. 2			E	V	ENT. 5	
C	T	CR CD. 3					STRADDLE 8	

CREDIT CODES (CR)
6 - CUT OFF
7 - POOR TRANS.
RECHARGE (+)

	CALLED PLACE	AREA	CALLED NUMBER	ORIGINATED FROM	AMOUNT	+	MIN.	CL	R	CR	SERIAL NUMBER	OR
1228	SLINGER WIS		[redacted]		1 84		16	E	18			1919
IS	STATE TAX	07	U S TAX	1 64	1 71							
			TOTAL INCL TAXES		19 92							

11 D 000 10 DEC0172 B1 121 [redacted]

1021							
1109	VALPARAISO	IND	[redacted]	ROME IT	1875	P4M	Q194147003
1110	VALPARAISO	IND			87	6E 1J	1716
1111	MINNEAPOLS	MINN			65	2D 1J	1626
1115	ELKHORN	WIS			50	2LN1J	1748
1118	EGG HARBOR	WIS			32	2E 18	1831
1118					22	1E 18	1336
1121	CHICAGO	ILL		NGLAND	1860	8 P4M	Q122264001
1122	NEW YORK	NY			279	17D 1J	1359
1122					65	2E 1J	1830
1123	NEW YORK	NY		NGLAND	1125	6 P4M	Q126564001
					65	2E 1J	1011

BALANCE 95.90

DATE

JOHN BALISTRIERI
3043 N SHEPARD AV
1 TP MILWAUKEE WIS 53211

S 2519
A
C 7071
D
O
B
T 9590

WIS. TAX	U.S. TAX
.95	7.86

REP. (R) CODES	TSP ANI	TSP ONI		MS	DDD ANI	DDD ONI	TSP ANI	TSP ONI		MS	DDD
	A	7	SENT PD.	1	1	0	D	U	COLL.	4	
	B	5	3rd NO.	2			E	V	ENT.	5	
	C	T	CR CD.	3					STRADDLE		8

CREDIT CODES (CR)
6 - CUT OFF
7 - POOR TRANS.
RECHARGE (+)

CALLS AND TELEGRAMS

PAGE	TELEPHONE NUMBER
2	[redacted]

CALLED PLACE	AREA	CALLED NUMBER	ORIGINATED FROM	AMOUNT	+	MIN.	CL	R	CR	SERIAL NUMBER OR
CALLS FROM [redacted]										
1106 PTWASHNGTN WIS		[redacted]		26		2	E	18		1840
1112 LONDON ENG			TELEGRAM	8 51				1		26310397
1126 SLINGER WIS		[redacted]		97		13	N	18		1647
WIS STATE TAX	07	U S TAX	5 65	5 72						
		TOTAL INCL TAXES		70 71						

11 D 000 10 NOV0172 B1= 121 [redacted]

				ORIGINATED FROM	AMOUNT	MIN	CL	CR	
1008	BOULDERCRK	CAL	[redacted]		65	3	1J		1123
1008	BOULDERCRK	CAL		MILWAUKWIS	230	7E	2J		85316012
1010	VALPARAISO	IND			45	2E	1J		2152
1013	CHICAGO	ILL			55	2D	1J		1443
1014	WEST BEND	WIS			41	3E	18		1354
1014	MILWAUKEE	WIS		BLDCRK CAL	130	3E	4J		VJ50526403
1017	ELKHORN	WIS			85	5D	18		1502
1018	MILWAUKEE	WIS		SNFRAN CAL	330	7D	DJ	VF	1303
1020	SAN FRAN	CAL			75	3E	1J		2142
1021	MILWAUKEE	WIS		BLDCRK CAL	305	10E	4J		VJ51342035
1026	MILWAUKEE	WIS		SNFRAN CAL	570	13D	DJ	VF	1029
1026	MILWAUKEE	WIS		SNFRAN CAL	170	3D	DJ	VF	1119
1029	MILWAUKEE	WIS		MILVLY CAL	355	12E	4J		VB24603735

11-21

		BALANCE
	DATE	66.41
REST.		
PERM		
DISC.		

JOHN BALISTRIERI
3043 N SHEPARD AV
1 TP MILWAUKEE WIS 53211

S	2519
A	
C	4122
D	
O	
B	
T	6641

TSP ANI	TSP ONI	MS	DDD ANI	DDD ONI	TSP ANI	TSP ONI	MS	DDD
A	/	SENT PD 1	1	0	D	U	COLL 4	
B	S	3rd NO 2			E	V	ENT 5	
C	T	CR CD 3					STRADDLE	8

CREDIT CODES (CR) 6 - CUT OFF 7 - POOR TRANS RECHARGE (+)

WIS. TAX	U.S. TAX
.93	5.95

TSP ANI	TSP ONI	MS	DDD ANI	DDD ONI	TSP ANI	TSP ONI	MS	DDD
A	/	SENT PD 1	1	0	D	U	COLL 4	
B	S	3rd NO 2			E	V	ENT 5	
C	T	CR CD 3					STRADDLE	8

CREDIT CODES (CR) 6 - CUT OFF 7 - POOR TRANS. RECHARGE (+)

CALLS AND TELEGRAMS

PAGE 2 TELEPHONE NUM [redacted]

CALLS FROM [redacted]

	CALLED PLACE		AREA	CALLED NUMBER	ORIGINATED FROM	AMOUNT	MIN	CL	CR	
007	CHICAGO	ILL	[redacted]			2 55	25	LN1J		1310
009	VALPARAISO	IND				45	3	E 1J		1733
009	VALPARAISO	IND				1 01	7	E 1J		1934
017	VALPARAISO	IND				2 41	17	E 1J		1735
017	BOULDERCRK	CAL				4 45	11	D 1J		1447
029	BOULDERCRK	CAL				1 25	5	E 1J		1825
029	SAN FRAN	CAL				75	3	E 1J		1822
IS	STATE TAX		05	U S TAX	3 74	3 79				
				TOTAL INCL TAXES		41 22				

File: OC-1

5

Details

On July 10, 1973, Auditor RICHARD ARKENBERG extracted the following information from the Wisconsin tax returns filed by:

Name: [redacted] SSN: [redacted]
Wife: [redacted]
Dependents: [redacted]
Address: [redacted]
Occupation: Manager
Prepared by: HENRY SHELLOW & ASSOC., 1012 North 3rd Street, Milwaukee, Wisconsin

1971 Tax Return

[redacted]

1970 Tax Return

[redacted]

Taxpayer claimed itemized deductions of [redacted], which included the following: medical expense, [redacted]; real estate taxes, [redacted]; and other taxes, [redacted]; contributions to St. Rita's Church, [redacted]; interest expense on home mortgage, [redacted].

KANSAS BUREAU OF INVESTIGATION

FRED H. HOWARD II
DIRECTOR

3420 VAN BUREN
TOPEKA, KANSAS 66611
(913) 296-3026

July 5, 1973

Mr. Herbert L. Krusche
Assistant Director, Organized Crime
Wisconsin State Department of Justice
Division of Criminal Investigation
114 East State Capitol
Madison, Wisconsin 53702

Dear Mr. Krusche:

Our office is attempting to update our files on organized crime families throughout the United States.

We would therefore appreciate your forwarding to us photographs of C[redacted] C[redacted] and Frank BALISTRIERI and any other pertinent information reference these subjects.

Thank you for your attention to our request and if we may ever be of assistance, please do not hesitate to contact us.

Sincerely,

FRED H. HOWARD, II
Director

Mary Lou McPhail

(Mrs.) Mary Lou McPhail
Analyst
Intelligence/Organized Crime Division

FRANK PETER BALISTRIERI; a/k/a FRANKIE BELL, FRED BLANKSTEIN
W/M, DOB [redacted], in Milwaukee, Wisconsin
5'8", 150 lbs., dark brown hair, brown eyes
Residence: 3043 North Shepard Avenue, Milwaukee, Wisconsin
SSN: [redacted]
FBI#: [redacted]
Spouse: ANTONINA B. (nee ALIOTO), born, [redacted]
Children: Attorney JOSEPH P. BALISTRIERI, born [redacted]
BENEDETTA BALISTRIERI, born [redacted]
JOHN J. BALISTRIERI, born [redacted]
CATHERINE BALISTRIERI, born [redacted]
FRANK BALISTRIERI has been identified in the United States Senate as head of Organized Crime in Wisconsin; he was similarly identifed in a subsequent "LIFE" article.

BALISTRIERI was convicted of income tax evasion and tax fraud conspiracy in Federal Court, Springfield, Illinois, in March, 1967. He was sentenced to two years in Federal prison and fined $10,000. Through legal manuevers and appeals he remained out of jail until June, 1971, when he finally entered Sandstone Federal Penitentiary to serve a reduced term of one year. He was released in April, 1972. This is BALISTRIERI'S only criminal conviction.

BALISTRIERI now continues to function as a "nightclub operator", although he has no business in his own name. His original string of up to seven night spots has now dwindled to two, with a third still licensed but closed for the last six months or more.

It is hoped this information will be of some value and if further specific details are desired, please do not hesitate to request them.

Sincerely,

FRANK A. MEYERS
Administrator

HERBERT L. KRUSCHE
Assistant Director of Operations

WAY:sk
cc: OC-1
OC-190
OCR-

July 12, 1973

Fred H. Howard II
Director
Kansas Bureau of Investigation
3420 Van Buren
Topeka, Kansas 66611

Attention: Mrs. M[redacted] L[redacted] M[redacted]
Intelligence/Organized Crime Section

Dear Sir:

In compliance with your request dated July 5, 1973, attached are photographs of C[redacted] C[redacted] and FRANK P. BALISTRIERI.

Background and ID information on each of these persons follow:

C[redacted] C[redacted]: a/k/a C[redacted] C[redacted], C[redacted] C[redacted], C[redacted] C[redacted]
W/M, DOB [redacted] in Bagheria, Palermo, Sicily
(Various sources show DOB as both [redacted] and [redacted]; correct date uncertain)
Naturalization certificate [redacted] issued 09-18-39 in Circuit Court, Dane County (Madison), Wisconsin
SSN: [redacted]
FBI# [redacted]
Residence: 107-1/2 State Street, Madison, Wisconsin. Has lived in Madison since 1935. Previously (1921 to 1935) resided in Chicago.
Occupation: "Landlord." He owns at least eight business properties in Madison, which along with investments, constitute his earnings of record.
Marital Status: Divorced. Ex-wife, R[redacted] (nee L[redacted] also from Chicago, where they were married 06-29-35. They were divorced in 1965.
Children: Two sons, J[redacted] and T[redacted]; ages unknown
Siblings: Brother, G[redacted] (J[redacted]) C[redacted], living in Chicago; Sister, B[redacted] P[redacted] also of Chicago.
C[redacted] is alleged to be the head of Organized Crime in the Madison (Wis.) area. Files of this Division contain no "hard" intelligence to support this contention, however.

RECEIVED
JUL 19 1973
DCI - OIC

OC-1-123

FRANK PETER BALISTRIERI; a/k/a FRANKIE BELL, FRED BLANKSTEIN
W/M, DOB [redacted], in Milwaukee, Wisconsin
5'8", 150 lbs., dark brown hair, brown eyes
Residence: 3043 North Shepard Avenue, Milwaukee, Wisconsin
SSN: [redacted]
FBI#: [redacted]
Spouse: ANTONINA B. (nee ALIOTO), born, [redacted]
Children: Attorney JOSEPH P. BALISTRIERI, born [redacted]
BENEDETTA BALISTRIERI, born [redacted]
JOHN J. BALISTRIERI, born [redacted]
CATHERINE BALISTRIERI, born [redacted]
FRANK BALISTRIERI has been identified in the United States Senate as head of Organized Crime in Wisconsin; he was similarly identifed in a subsequent "LIFE" article.

BALISTRIERI was convicted of income tax evasion and tax fraud conspiracy in Federal Court, Springfield, Illinois, in March, 1967. He was sentenced to two years in Federal prison and fined $10,000. Through legal manuevers and appeals he remained out of jail until June, 1971, when he finally entered Sandstone Federal Penitentiary to serve a reduced term of one year. He was released in April, 1972. This is BALISTRIERI'S only criminal conviction.

BALISTRIERI now continues to function as a "nightclub operator", although he has no business in his own name. His original string of up to seven night spots has now dwindled to two, with a third still licensed but closed for the last six months or more.

It is hoped this information will be of some value and if further specific details are desired, please do not hesitate to request them.

Sincerely,

FRANK A. MEYERS
Administrator

HERBERT L. KRUSCHE
Assistant Director of Operations

MAY:sk
cc: OC-1
OC-190
OCR-

File: OC-1

5

Details:

On July 19, 1973, Auditor RICHARD ARKENBERG extracted the following information from the Wisconsin tax returns filed by:

Name: [redacted] SSN: [redacted]
Wife: [redacted] SSN: [redacted]
Address: [redacted], Milwaukee, Wisconsin 53215
Occupation: City of Milwaukee Police Inspector
Prepared by: FRANK's BOOKKEEPING AND TAX SERVICE
[redacted], Milwaukee, Wisconsin

1971 Tax Return

[redacted]

Taxpayer claimed itemized deductions of [redacted]. Of this amount claimed [redacted] were tax, [redacted] being real estate tax of which [redacted] went to Milwaukee and [redacted] to Greendale, [redacted] were deductible contributions. Taxpayer also purchased a used 1971 2 door Oldsmobile serial No. 354371M461487, in this year paying [redacted] less [redacted] trade-in on a 1970 2 door Oldsmobile.

1970 Tax Return [redacted]

[redacted]

RECEIVED

AUG 07 1973

DCI

OC-1-124

Tax Refund
Adjusted Gross Income
Taxes Paid:
Net Income after Tax:

[redacted]

Taxpayer claimed itemized deductions of [redacted]. Of the amount claimed [redacted] were taxes of which [redacted] represented real estate tax.

1969 to 1966 Tax Returns
Can be found in file OC-1 page 37.

CASE ACTIVITY REPORT
DJ-DCI-25 (Rev 4/73)

WISCONSIN DEPARTMENT OF JUSTICE

Division of Criminal Investigation
123 W. Washington Ave.
Madison, Wisconsin 53703

Date: August 2, 1973

Case No.: OC-1

INVESTIGATORS: Special Agent Harold S. Engelbart

SUBJECT OF INVESTIGATION: FRANK P. BALISTRIERI

On July 27, 1973, S/A ENGELBART was in the vicinity of BALISTRIERI'S residence at 3043 North Shepard Avenue and took the following two license numbers of vehicles parked immediately across the street from BALISTRIERI'S residence. The two vehicles were: a 1972 Buick 2 door, Wisconsin license P338, registered to J[redacted] M[redacted] of 3048 North Shepard Avenue, Milwaukee, Wisconsin; and a 1967 Plymouth 2 door, Wisconsin license N53-751, registered to E[redacted] I[redacted] of [redacted], Milwaukee, Wisconsin. (NOTE: The P338 vehicle had been observed at SALLY'S RESTAURANT on prior occasions.)

HSE:sk

RECEIVED
AUG 10 1973
DCI - CIC

OC-1-125

LEADS:

1) Check all of the above names throught the Milwaukee D.C.I. Office files and CIIC and CIB and pass on any developed information to Special Agent HALL.

2) Check with the Secretary of State's Office regarding the possible formation of any corporate structure for TANGERINE and/or PEACHES AND CREAM.

AFS:sk
cc: OC-228

CASE ACTIVITY REPORT
DJ-DCI-25 (Rev 4/73)

WISCONSIN DEPARTMENT OF JUSTICE
Division of Criminal Investigation
123 W. Washington Ave.
Madison, Wisconsin 53703

Date: August 13, 1973

Case No.: OC-1

INVESTIGATORS: Special Agent Alfred F. Suhr and Director Herbert L. Krusche

SUBJECT OF INVESTIGATION: FRANK P. BALISTRIERI

On August 13, 1973, S/A BUD HALL of the Milwaukee FBI Office met with Director KRUSCHE and Special Agent SUHR in KRUSCHE'S office and discussed pornography in general, and Special Agent HALL provided substantially the following information regarding some of the FBI's current investigations:

One MICHAEL THEVIS, president of CINEMATICS INDUSTRIES, Atlanta, Georgia, and one R[redacted] S[redacted], Cleveland, Ohio, are both distributors of hard core pornography. M[redacted] F[redacted], an associate of THEVIS', and THEVIS both have Swiss bank accounts and it is rumored that they intend to leave the United States for Switzerland very soon. [redacted]

Of local interest, one J[redacted] H[redacted], A[redacted] S[redacted], B[redacted] W[redacted] and R[redacted] I[redacted], L[redacted] being the only person from Milwaukee, have recently formed a company called currently PEACHES AND CREAM. Special Agent HALL believed that the forerunner of PEACHES AND CREAM was called TANGERINE. HALL did not know whether either of these two companies was incorporatated, but his office is checking it out. The company makes movie machines in Milwaukee on the south side, address not indicated, and sells them nationwide. It will also be distributing in the near future hard core pornographic films. One P[redacted] I[redacted], who is associated with CASTLE NEWS, [redacted], is a girl friend of J[redacted] H[redacted]'S.

About three months ago, Special Agent HALL learned from an informant who is close to the people at the CENTRE STAGE, 624 North 2nd Street, that FRANK BALISTRIERI has approximately $15,000 invested in J[redacted] H[redacted]'S operation. HALL'S informant is now out of state but is expected to return in the near future and HALL will again get in contact with his informant.

When asked what he knew about G[redacted] C[redacted]'S whereabouts, Special Agent HALL replied that C[redacted] has been seen in Milwaukee only occasionally and most recently with the owner, name not stated, of CAPITOL BILLIARDS, [redacted], Milwaukee.

Special Agent HALL was informed that all of the above names would be checked through the D.C.I. files and any information on hand would be supplied to him.

RECEIVED

AUG 17 1973

DCI		CIIC	

OC-1-126

CASE ACTIVITY REPORT
DJ-DCI-25 (Rev 4/73)

Page ____ of ____ pages

WISCONSIN DEPARTMENT OF JUSTICE
Division of Criminal Investigation
123 W. Washington Ave.
Madison, Wisconsin 53703

Date: August 16, 1973

Case No.: OC-1
cc: OCI-18

INVESTIGATORS: Director Herbert L. Krusche

SUBJECT OF INVESTIGATION: FRANK BALISTRIERI - FIORE and FRANK BUCCIERI

On Friday, August 3, 1973, OCI-18 advised that SALLY PAPIA has been feeling continuous pressure from local Italians as a result of her differences with FRANK BALISTRIERI. OCI-18 said that STEVE DiSALVO and F[redacted] S[redacted] have been seen surveilling SALLY'S STEAK HOUSE late at night and that SALLY is afraid that some physical harm will be done to her. OCI-18 said that SALLY went to Chicago several weeks ago and met with FIORE BUCCIERI, FRANK BUCCIERI'S brother. FIORE BUCCIERI still believes that his brother, FRANK BUCCIERI, is married to SALLY PAPIA. The meeting in Chicago several weeks ago resulted after FIORE received information from Chicago syndicate members who visited JOHN BALISTRIERI'S party at the CENTRE STAGE THEATER about a month ago, that SALLY'S life was in jeopardy because FRANK BALISTRIERI was very upset with her attitude toward him and his family in recent months. OCI-18 said that SALLY was asked by BUCCIERI what her problems were with BALISTRIERI and why BALISTRIERI was upset with her all of a sudden. OCI-18 said that SALLY told FIORE BUCCIERI that she was afraid of physical harm because of BALISTRIERI'S current feelings toward her. OCI-18 said that SALLY told FIORE that she could not understand why BALISTRIERI was so angry with her but she thought it could be because she would not cater to him and give him or his friends free meals anymore. OCI-18 said that SALLY also told FIORE that BALISTRIERI was upset because some law enforcement people had been frequenting her restaurant on occasion and had been becoming quite familiar with her. SALLY told FIORE that BALISTRIERI felt that she was talking too much and telling the law enforcement people things that she should not tell them. SALLY, of course, denied these things to FIORE. OCI-18 said that as a result of SALLY'S visit to FIORE, FIORE sent two of his representatives to meet with BALISTRIERI and warn him that he would not tolerate any physical harm to SALLY.

OCI-18 said that SALLY'S uncle, C[redacted] I[redacted] (a/k/a [redacted]), had occasion to meet with FRANK BALISTRIERI at the CENTRE STAGE THEATER about a week ago. During the meeting, BALISTRIERI advised I[redacted] a long-time friend, that he was sure that his son, JOSEPH BALISTRIERI'S, recent car accident was no accident, and that the so-called accident occurred as a result of some kind of orders from Chicago. OCI-18 said that SALLY'S uncle told her to be very careful

RECEIVED
AUG 22 1973
DCI CIC

OC-1-127

because you could never tell what a man like BALISTRIERI would do as a result of his current feelings toward her.

OCI-18 advised that S[redacted]'S birth certificate in the City Hall was changed several years ago from S[redacted] L[redacted] to S[redacted] L[redacted], at the request of S[redacted], through her friend, A[redacted] P[redacted] (now deceased).

OCI-18 further advised that SALLY PAPIA has just finished negotiating the purchase of CHICO'S RESTAURANT on North Farwell and Milwaukee from F[redacted] L[redacted] and that this restaurant would be opening under S[redacted] nickname (S[redacted]). OCI-18 advised that S[redacted] is purchasing the equipment from F[redacted] L[redacted], as well as a building lease and good will, for approximately $75,000. OCI-18 is unable to say where SALLY is getting the money from to finance the takeover of L[redacted]'S restaurant. OCI-18 advised that FRANK BALISTRIERI is upset that SALLY is opening another place and that she is getting just a little bit too big for her britches.

Special Agent AL SUHR obtained a copy of S[redacted] L[redacted]'S birth certificate from the City Clerk in Milwaukee and a copy is attached to this report.

HLK:sk

STATE OF WISCONSIN, } SS
MILWAUKEE COUNTY,

OFFICE OF
Register of Deeds

No.

I, WALTER R. BARCZAK, Register of Deeds in and for said County, do hereby certify that the attached photograph of birth has been compared with the original in my office filed as document No. in Volume 980, Page 466, and is a true copy of the original.

(Note: Certification to birth records limited to non-confidential information.)

Seal

In Testimony Whereof, I have hereunto set my hand and affixed my official seal this 30th day of July A. D., 19 73

Walter R. Barczak

Register of Deeds, Milwaukee County, Wis.

Deputy Register of Deeds.

954R2

3

P. 466 of vol. 980

PLACE OF BIRTH

County of Milwaukee

No. 4134

Township of or Village of or City of Milwaukee

Register No. 2756

Roger William's Hospital 15/1 Ward

FULL NAME OF CHILD S[redacted] I[redacted]

Stillborn: Yes or No	Was child deformed or physically defective? Yes or No.	Nature of defect
no	no	

Sex of Child	Color or Race of Child	Twin, Triplet, or other?	and	Number in order of birth	Legitimate?	Date of birth
fem	white				yes	[redacted] Month Day Year

FATHER		MOTHER	
FULL NAME	C[redacted] I[redacted] L[redacted]	FULL MAIDEN NAME	J[redacted] P[redacted] P[redacted]
RESIDENCE Post Office	[redacted]	RESIDENCE Post Office	[redacted]
COLOR OR RACE	white	COLOR OR RACE	white
AGE AT LAST BIRTHDAY	22 Years	AGE AT LAST BIRTHDAY	17 Years
BIRTHPLACE	Italy	BIRTHPLACE	Wis
OCCUPATION Nature of Industry	State or Country truck driver	OCCUPATION Nature of Industry	State or Country hwfe

Number of children of this mother (Taken as of time of birth of child herein certified and including this child.) (a) Born alive and now living 1 (b) Born alive but now dead - (c) Stillborn -

What preventative for ophthalmia neonatorum did you use? [redacted]

Presentation caesarean section

CERTIFICATE OF ATTENDING PHYSICIAN OR MIDWIFE*

I hereby certify that I attended the birth of this child, and that it occurred on Mar [redacted] at 8:10 A M., on the date above stated.

*When there was no attending physician or midwife, then the father, householder, etc., should make this return. A stillborn child is one that neither breathes nor shows other evidence of life after birth.

(Signature) C. H. Bowyer

Physician or Midwife

Given name added from a supplemental report Month Day, 19 Address [redacted]

Registrar

Filed Mar 28, 1929 J.P.Koehler M.D. Registrar.

Recorded Apr 30-'29 P.C.Westfahl Register.

The corrections entered in red ink on the adjoining birth record were made this 19 day of Dec 1958 by me and are based on Supplemental Report. [signature] Register of Deeds

4

CASE ACTIVITY REPORT
DJ-DCI-25 (Rev 4/73)

WISCONSIN DEPARTMENT OF JUSTICE

Division of Criminal Investigation
123 W. Washington Ave.
Madison, Wisconsin 53703

Date: September 7, 1973

Case No.: OC -1

INVESTIGATORS: Director Herbert L. Krusche HK

SUBJECT OF INVESTIGATION: FRANK BALISTRIERI - I[redacted] B[redacted]

JACK WALLACE of the Federal IRS Intelligence reports that agents from his Division surveilled FRANK BALISTRIERI on Wednesday, August 15, 1973. WALLACE advised that during the surveillance, FRANK BALISTRIERI was observed meeting with and talking to I[redacted] B[redacted], at the CENTRE STAGE THEATER in Milwaukee, between 11:50 p.m., on Wednesday, August 15, 1973 and 12:45 a.m. on Thursday, August 16, 1973.

HLK:sk

RECEIVED

SEP 12 1973

DCI			CIIC

HK

OC-1-128

CASE ACTIVITY REPORT
DJ-DCI-25 (Rev 4/73)

WISCONSIN DEPARTMENT OF JUSTICE

Division of Criminal Investigation
123 W. Washington Ave.
Madison, Wisconsin 53703

Date: Sept. 22, 1973

Case No.: OC-1

INVESTIGATORS: Agent Keenan Richard Wells KRW

SUBJECT OF INVESTIGATION: FRANK BALISTRIERI

At about 7:55 P.M. on Friday evening, Sept. 21, 1973, Agent KEENAN RICHARD WELLS observed one Cadillac parked in front of FRANK BALISTRIERI's home located at 3043 N. Shepard, Milwaukee, Wisconsin. The license plate of the vehicle was:

B45-494 registered to:
V[redacted]
[redacted]
Milwaukee, Wisconsin
1972 Cadillac 4 door 1974 Registration

No other activity or unusual occurrences were observed.

KRW:el

RECEIVED

OCT 8 1973

DCI	-	CIIC	

OC-1-129

CASE ACTIVITY REPORT
DJ-DCI-25 (Rev 4/73)

Page ___ of ___ pages

WISCONSIN DEPARTMENT OF JUSTICE
Division of Criminal Investigation
123 W. Washington Ave.
Madison, Wisconsin 53703

Date: Sept. 12, 1973

Case No.: OC-1

INVESTIGATORS: Agent KEENAN RICHARD WELLS KRW

SUBJECT OF INVESTIGATION: FRANK BALISTRIERI

On Tuesday evening, September 11, 1973 Agent KEENAN RICHARD WELLS observed the white top over red body Cadillac which belongs to FRANK BALISTRIERI. This vehicle bearing Wisconsin license plates L63-421 was parked directly across from the CENTRE STAGE located at 642 North 2nd Street, Milwaukee, Wisconsin. This vehicle was in this vicinity from 7:30 p.m. until after 8:30 p.m. The car was in a no parking zone.

S/A ALFRED SUHR reported to Agent WELLS that at 9:10 p.m. he had driven past the CENTRE STAGE and had not seen the venicle. Agent WELLS again drove past this area at 9:50 p.m. but with negative results.

LEADS: 1. Continue random observations for FRANK BALISTRIERI'S vehicle near the CENTRE STAGE.

2. Contact undercover Agent whenever BALISTRIERI is at CENTRE STAGE.

KRW:gk

RECEIVED

OCT 18 1973

DCI

OC-1-130

PERSONAL INTERVIEW REPORT
DJ-DCI-3

WISCONSIN DEPARTMENT OF JUSTICE
Division of Criminal Investigation – Operations
123 W. Washington Ave.
Madison, Wisconsin 53703

Date Oct. 18, 1973
Case No: OC-1

PARTY INTERVIEWED JACK HEIBEL

ADDRESS Madison Police Department, Madison, Wisconsin

INTERVIEWING AGENTS Special Agent Gary H. Hamblin

On Monday, October 8, 1973, HAMBLIN interviewed Madison Police Department Detective Supervisor JACK HEIBEL at his office in the Madison City-County Building. HEIBEL was contacted concerning information he had pertaining to the purchase of a Madison tavern by persons allegedly representing FRANK BALISTRIERI. HEIBEL stated substantially the following:

The tavern in question is known as THE SPECTRUM, 3520 East Washington Avenue, Madison, Wisconsin. The tavern is not yet open for business, and it is not known when it will open. The tavern was purchased from A[redacted] S[redacted], a vice president and director of BEATRICE FOODS, who operated the business under several names before encountering severe financial problems.

THE SPECTRUM is owned by and will be operated by RAINBOW ENTERPRISES, INC., with corporate offices at 623 North 2nd Street, Milwaukee. The officers of RAINBOW ENTERPRISES, INC., are as follows:

Pres.-Treas.: PETER POLCHERT, DOB [redacted]
Milwaukee, Wisconsin
SSN: [redacted]

V.Pres.-Sec.: JOEL ABRAMSON, DOB [redacted]
Milwaukee, Wisconsin
SSN: [redacted]

Agent: NORMAN WEISS, DOB [redacted]
Madison, Wisconsin
SSN: [redacted]

POLCHERT and ABRAMSON are officers of the corporations that operate the INTERNS-EAST and INTERNS-WEST, two nightclubs in the Milwaukee area.

The Madison Police Department had received information that a Milwaukee dentist, a Dr. FNU ROSEN, was providing the operating capital for THE

AGENTS SIGNATURES:

OCT 25 1973

DATES:

OC-1-131

SPECTRUM. Information was that ROSEN was acting as a front for FRANK BALISTRIERI.

A Madison city attorney called POLCHERT and ABRAMSON into his office and questioned them concerning any undisclosed financial interest that any persons may hold in THE SPECTRUM. Both denied that there was any undisclosed financial interest. They said that ROSEN had considered investing but at that point had not done so. They said that they would notify the city attorney immediately if any other parties should invest in THE SPECTRUM.

The Madison Police Department has received information from numerous sources that BALISTRIERI is behind the purchase and development of THE SPECTRUM. HEIBEL agreed to keep HAMBLIN up-to-date concerning developments at THE SPECTRUM.

GHH:so

CASE ACTIVITY REPORT
DJ-DCI-25 (Rev 4/73)

Page ____ of ____ pages

WISCONSIN DEPARTMENT OF JUSTICE
Division of Criminal Investigation
123 W. Washington Ave.
Madison, Wisconsin 53703

Date: October 23, 1973

Case No.: OC-1

INVESTIGATORS: Special Agent Gary H. Hamblin

SUBJECT OF INVESTIGATION: FRANK P. BALISTRIERI

On October 8, 1973, HAMBLIN interviewed Madison Police Detective JACK HEIBEL concerning information he had pertaining to the alleged purchase of a Madison tavern by persons representing BALISTRIERI. The tavern in question is known as the SPECTRUM and will be operated by RAINBOW ENTERPRISES, INC. The principals in this business, PETER POLCHERT, DOB [redacted], and JOEL ABRAMSON, DOB [redacted], also allegedly operate the INTERNS-EAST, 555 North 7th Street, Milwaukee, and the INTERNS-WEST, 5900 West National Avenue, West Allis.

On October 23, 1973, HAMBLIN obtained the attached liquor license applications for the INTERNS-EAST and the INTERNS-WEST, respectively.

LEADS:

1. Conduct background investigation on principals of the INTERNS-EAST and the INTERNS-WEST to determine if there is any significant relation to BALISTRIERI.

2. Determine whether or not there is any connection between the corporation operating the INTERNS-EAST and the corporation operating the INTERNS-WEST.

GHH:sk

RECEIVED
OCT 26 1973
DCI · CIIC

OC-1-132

CC-21

RENEWAL ALCOHOL BEVERAGE LICENSE APPLICATION - PREPARE IN DUPLICATE
Original - White; Duplicate - Pink (City Clerk will send duplicate to Department of Justice, Division of Criminal Investigation, Madison, Wisconsin)

Type of License Applied For

CLASS "B" TAVERN	
FEE	$500.00
PUBL.	4.00
TOTAL	$504.00

To the Common Council of the City of Milwaukee, Milwaukee County, Wisconsin:
I/We hereby apply for renewal of an Alcoholic Beverage license as indicated in the box or the right for the period from the 1st day of July 19 73 through the thirtieth of June next.

A. Individuals and Partnerships:

Full Name(s)	Home Address	City & ZIP Code

Check one:
Individual: ☐
Partnership: ☐
Corporation: ☒

Fee must accompany application (Check or money order)

B. If a corporation, complete the following: If not, skip this section and proceed to Section "C".

Full Name of Corporation: Interns East, Inc.
Address of Corporation (if different from licensed premises) 555 North 7th Street, Milwaukee, Wis. 53233
All Officers & Directors:

Title	Name	Home Address	City of Residence & ZIP Code
Pres.	James R. Thompson	[redacted]	Milwaukee, Wisconsin 53228
V/Pres.	Rosalia T. Santoro		Milwaukee, Wisconsin 53216
Sec'y.	Rosalia T. Santoro		as above
Treas.	James R. Thompson		Milwaukee, Wisconsin 53228
Agent	James R. Thompson		as above
Directors	James R. Thompson		as above
	J. Shirley Thompson		Milwaukee, Wisconsin 53228
	Rosalia T. Santoro		Milwaukee, Wisconsin 53216

C. 1. Business Address 555 North 7th Street, Milwaukee, Wis. 53233 Ward Number
Description of Licensed Premises (Include Storage) Cocktail Lounge
2. Business Telephone: [redacted] Trade Name: Interns East
3. Name and Address of Owner of Building: Thomp-Sant Co., [redacted], Milwaukee, Wis.
Who owns the fixtures? Interns East, Inc.
4. Since the filing of your last application, have you been convicted of violating any Federal, State or Local Laws?
Yes ___ No x . If yes, explain on back of this form.
5. Except for question 4, have there been any changes in the answers to the questions as submitted by you on your last application for this license? (If no, write "no") No
6. Do you have any bills of more than 15 days outstanding owing to any brewery or beer wholesaler? No
7. Do you have any liquor bills of more than 30 days outstanding owing to any liquor wholesaler? No
8. Do you understand that any license issued to you is void, if on the date of issuance you have any indebtedness of more than 15 days outstanding to any brewer, bottler or wholesaler of fermented malt beverages, or are indebted to a wholesaler for intoxicating liquor for a period of more than 30 days? Yes
9. Your Wis. Seller's Permit Number 134922

The undersigned, BEING FIRST DULY SWORN ON OATH, deposes and says that he is the person named in the foregoing application, that he has read each of the questions or statements in said application, that he has made a complete answer to each question or statement and that said answers in each instance are correct and true.

Subscribed and sworn to before me
this 9th day of May 19 73.
Frank J. Santoro
Notary Public, State of Wisconsin
My commission expires June 4, 1974

[redacted] Security Number
[redacted]
SECRETARY

NOTE: Up to $500 penalty for submitting false statements and affidavits in connection with this application. Sec. 90-73.5 Milwaukee Code of Ordinances. State law provides penalties up to $2500 fine or 3 years.

Filed MAY 14 1973
License Number B-1343

Submitted to Common Council MAY 22 1973
JUN 26 1973
Approved _____ City Clerk _____

45

ALCOHOL BEVERAGE
LICENSE APPLICATION
FORM DJ-DCI-176 CORPORATION Rev.

Department of Justice
Division of Criminal Investigation

PREPARE IN DUPLICATE
4-12-73
ORIGINAL – WHITE R22291
DUPLICATE – PINK

Put Your Sales Tax Seller's Permit No. Here 164283

Type of License Applied For:
Fermented Malt Beverage
Class A ..... Fee $
Class B ..... X ..... Fee $ 100.00
Wholesale ..... Fee $
Intoxicating Liquor
Class A ..... Fee $
Class B ..... X ..... Fee $ 200.00
Publication .. X ..... Fee $ 1.50
TOTAL ..... Fee $ 301.50

1. ☐ New ☒ Renewal — Date Filed With Clerk: 4-12-73 — Licensing Period: From: 7/1/73 To: 6/30/74

2. To The Governing Body of (Fill in one only): Town of ____ Village of ____ City of West Allis — County: Milwaukee

WE HEREBY APPLY FOR A LICENSE AS INDICATED IN BOX ON RIGHT:

3. Name of Corporation: BoPete, Inc.

4. Date & Place of Organization: August 1970 - Milwaukee, Wis.

5. Mailing Address of Corporation: 5900 W. National Ave., West Allis, Wis.

6. Officers and Directors

	Name	Address
PRESIDENT	Peter Polchert	[redacted], Milwaukee, Wis.
VICE PRESIDENT	Joel Abramson	[redacted], Milwaukee, Wis.
SECRETARY	Joel Abramson	[redacted], Milwaukee, Wis.
TREASURER	Peter Polchert	[redacted], Milwaukee, Wis.
AGENT	Peter Polchert	[redacted], Milwaukee, Wis.

(An agent must be appointed for Class A or Class B liquor, Class B fermented malt beverage by completing form DJ-DCI-179-Schedule X)

X Will you apply for a Federal Tax Stamp for the license period requested? YES

7. License location and description of premises. (All rooms directly or indirectly accessible from the barroom proper and under the dominion of the licensee must be included in the "Physical Description" of the premises to be licensed.)
Physical Description of Building or Premises: Large Room/Cocktail Lounge
Legal description (Omit if premise has No. and Street below)

8. Trade Name: Interns West — Location (Street, Highway, or Route): 5900 W. National Ave.

9. Describe any other business conducted on the premises: Food

10. Was this location licensed for beer or liquor during the past year? ☒ Yes ☐ No — Name and address of person holding license for premises for the past year: BoPete-Inc.

X 11. Have you applied for or do you hold any other alcoholic beverage license in Wisconsin or do you hold or have any interest in a wholesale liquor permit in Wisconsin? ☐ Yes ☒ No

12. Who owns tavern fixtures? BoPete, Inc. — If owned by others, state manner, terms, and conditions under which fixtures are held.

X 13. Has this corporation ever been convicted of violating any federal laws anywhere? NO
State Laws in this state or any other state? NO — Local ordinances? NO
Specify offenses, giving dates and places of conviction

X 14. Do you have any bills of more than 15 days outstanding owing to any brewery or wholesaler? ☐ Yes ☒ No
Do you have any liquor bills of more than 30 days outstanding owing to any liquor wholesaler? ☐ Yes ☒ No

X 15. Do you understand that any license issued to you is void if, on the date of issuance, you have any indebtedness of more than 15 days outstanding to any brewer, bottler or wholesaler of fermented malt beverages or are indebted to a wholesaler for intoxicating liquor for a period of more than 30 days? ☒ Yes ☐ No

Name of Corporation: BoPete, Inc.

STATE OF WISCONSIN
COUNTY OF Milwaukee } SS

Peter Polchert and

being first duly sworn, each for himself, deposes and says that they are respectively the President and Secretary of the applicant corporation named in the foregoing application, that he has read each of the questions of said application, that he has made [redacted] said answers in each instance are true and correct.

(NOTARY OR CLERK MUST ADMINISTER OATH)
Subscribed and sworn to before me this 1 day of June, 1973
Joel Abramson
Clerk – Notary Public
My commission expires Aug. 10, 1973

LICENSE INVALID UNLESS INFORMATION BELOW IS FURNISHED OVER SIGNATURE OF CLERK OR DEPUTY CLERK
I hereby state that the above application was reported to the Council or Board on ____ the License was granted on 6-19-73
and issued as License Number 47 on JUN 19 1973

Signature of Clerk: Phil Elliott

NOTE: Each officer and director must also submit a form DJ-DCI-178-Schedule X

(SEAL)

Per ____ Title

DJ-DCI-178 Rev. 1-73
Department of Justice
Division of Criminal Investigation

PREPARE IN DUPLICATE

ORIGINAL – WHITE
DUPLICATE – PINK

SCH( )LE X – Attach to Partnership and Corporate( )lications

Whenever an application is made by a partnership or corporation for a license to sell fermented malt beverages and/or intoxicating liquor, the following questions must be answered by each member of the partnership and, in case of a corporation, by each officer and director of the corporation.

West Allis, Wisconsin April 11, 1973

1. Name and address: (Please Print)

Your Name Joel Abramson

Your Address [redacted] Milwaukee, Wis.

Age 41 Date of Birth [redacted] Place of Birth Milwaukee, Wi X Social Security No.

2. Name of Partnership or Corporation BoPete, Inc.

3. Official Capacity Vice-President/Secretary

4. Are you a full citizen of the United States? Yes Of Wisconsin? Yes

5. For how long immediately prior to making this application have you resided in Wisconsin? 41 Years

X 6. Have you made, or are you making (during the current license period) application for:
(a) any other intoxicating liquor and/or beer license in Wisconsin? No
(b) do you have any interest in any corporation holding a retail intoxicating liquor and/or beer license or a wholesale liquor permit? No
IF SO, LIST KIND AND LOCATION:

X 7. Have you ever been convicted of violating any Federal Laws anywhere? No

State Laws in this state or any other state? No

Local Ordinances? No

Specify offenses, giving dates and places of conviction

No No No

X 8. List in detail, for the past five years:

Your business or occupation	Names and address of employer	Date
Public Accountant	M. Weinstein & Co. CPA (Partner)	1956-1969
"	Berlack, Herwald & Co. CPA (")	1/1/70 to date

STATE OF WISCONSIN
COUNTY OF Milwaukee } SS

Joel Abramson being first duly sworn on oath, deposes and says that he is the person named in the foregoing Schedule X; that he has carefully read all the questions asked in said schedule, that he has made complete answer to each such question, and that his said answers in each instance are true and correct.

(NOTARY OR CLERK MUST ADMINIST[redacted]

Subscribed and sworn to before me
this 11 day of April, 19 73

Notary Public

My commission expires Permanent

DJ-DCI-178 Rev. 1-73
Department of Justice
Division of Criminal Investigation

PREPARE IN DUPLICATE

ORIGINAL - WHITE
DUPLICATE - PINK

SCHEDULE X – Attach to Partnership and Corporate Applications

Whenever an application is made by a partnership or corporation for a license to sell fermented malt beverages and/or intoxicating liquor, the following questions must be answered by each member of the partnership and, in case of a corporation, by each officer and director of the corporation.

West Allis, Wisconsin April 11, 1973

1. Name and address: (Please Print)

Your Name Peter Polchert [redacted]

Your Address [redacted] Milwaukee, Wis. 53205

Age 43 Date of Birth [redacted] Place of Birth Milwaukee, Wis. X Social Security N[redacted]

2. Name of Partnership or Corporation BoPete, Inc.

3. Official Capacity President/Treasurer

4. Are you a full citizen of the United States? Yes Of Wisconsin? Yes

5. For how long immediately prior to making this application have you resided in Wisconsin? 43 Years

X 6. Have you made, or are you making (during the current license period) application for:
(a) any other intoxicating liquor and/or beer license in Wisconsin? No
(b) do you have any interest in any corporation holding a retail intoxicating liquor and/or beer license or a wholesale liquor permit?
IF SO, LIST KIND AND LOCATION:

X 7. Have you ever been convicted of violating any Federal Laws anywhere? No

State Laws in this state or any other state? NO

Local Ordinances? X NO

Specify offenses, giving dates and places of conviction

X 8. List in detail, for the past five years:

Your business or occupation	Names and address of employer	Date
LAB. TECH.	Miller BREWING Co. 4000 W. State	12-51 To 9-70
BoPete (Owner)	5900 We NATIONAL AVE	9-70

STATE OF WISCONSIN
COUNTY OF Milwaukee } SS.

Peter Polchert being first duly sworn on oath, deposes and says that he is the person named in the foregoing Schedule X; that he has carefully read all the questions asked in said schedule, that he has made complete answer to each such question, and that his said answers in each instance are true and corre[redacted]

(NOTARY OR CLERK MUST ADMINIST[redacted]

Subscribed and sworn to before me
this [redacted] 19 73

My commission expires Aug 10 1975

5

B-45

DJ-DCI-179 Rev. 1-73
Department of Justice
Division of Criminal Investigation

PREPARE IN DUPLICATE

ORIGINAL – WHITE
DUPLICATE – PINK

AGENT'S SCHEDULE X – Attach to Corporate Applications

All corporations applying for a license to sell fermented malt beverage and/or intoxicating liquor must appoint an agent pursuant to section 66.054(8) (a) and 176.05(13) Wis. Stat. The following questions must be answered by the Agent and the appointment signed by two officers of the corporation, and the recommendation made by the proper local official.

West Allis Wisconsin April 11, 1973

1. Name of Corporation BoPete, Inc. Address: 5900 W. National AVe.
2. Name of Agent Peter Polchert Other Corporation Office President/Treasurer
3. Are you a full citizen of the United States? Yes Of Wisconsin? Yes
4. Age 43 Date of Birth: [redacted] Place of Birth: Milwaukee, Wis. X Social Security No. [redacted]
5. For how long immediately prior to [redacted] u resided continuously in Wisconsin? [redacted]
   Place of residence last year? [redacted] Milwaukee, Wis. [redacted]
X 6. Have you made, or are you making (during the current license period) application for:
   (a) any other intoxicating liquor and/or beer license in Wisconsin? No
   (b) do you have any interest in any corporation holding a retail intoxicating liquor and/or beer license or a wholesale liquor permit?
   IF SO, LIST KIND AND LOCATION:
X 7. Have you ever been convicted of violating any Federal Laws anywhere? No
   State Laws in this state or any other state? No
   Local Ordinances? No
   Specify offenses, giving dates and places of conviction
X 8. Previous Occupation? LAB. Technician No

STATE OF WISCONSIN
COUNTY OF Milwaukee

Peter Polchert being first duly sworn, on oath deposes and says that he is the person named in the
Agent's Name

foregoing Schedule X; that he has carefully read all questions asked in said schedule; that he has made complete answer to each such question, and that his said answers in each instance are true and correct.

(NOTARY OR CLERK MUST ADMINISTER OATH)

Subscribed and sworn to before me

this [redacted] April 11 1973 No [redacted]

[redacted] No

APPOINTMENT OF AGENT

The undersigned corporation appoints Peter Polchert as agent in accordance with section 66.054(8)(a) and 176.05(13) Wisconsin Statutes, subject to the approval of the Department of Justice.

[redacted]

By [redacted]

Tech. Mil. Bre[redacted]

BoPete (Owner) Yes We [redacted]

I hereby accept appointment as agent for BoPete, Inc. [redacted]
and assume full responsibility for the conduct of the business relative to fermented malt bev[redacted]

Dated April 11, 1973

CERTIFICATE TO BE COMPLETED BY PROPER OFFICIAL AS LISTED BELOW:
(a) In Towns, by Town Chairman
(b) In Villages, by the Village President
(c) In Cities, by Chief of Police

The appointment of above listed agent is herewith recommended: Date: April 18, 1973

I hereby certify that I have checked city and state criminal records and find no felony convictions or repeated misdemeanor convictions for the above named president, secretary and proposed agent for the above corporation. To the best of my knowledge, with the available information, his or her character, record and reputation are satisfactory and I have no objection to his or her appointment as agent.

Approved on: WISCONSIN DEPARTMENT OF JUSTICE
Division of Criminal Investigation

MAY 14 1973

D: Louis R. Reinsch
(Signature of proper local official)

Prepare in Duplicate. Clerk must forward BOTH COPIES to Division of Criminal Investigation.

CASE ACTIVITY REPORT
DJ-DCI-25 (Rev 4/73)

Page ____ of _____ pages

WISCONSIN DEPARTMENT OF JUSTICE
Division of Criminal Investigation
123 W. Washington Ave.
Madison, Wisconsin 53703

Date: October 29, 1973

Case No.: OC-1

INVESTIGATORS: Special Agent Gary H. Hamblin

SUBJECT OF INVESTIGATION: FRANK P. BALISTRIERI

On October 8, 1973, HAMBLIN interviewed Madison Police Detective JACK HEIBEL concerning information he had pertaining to the alleged purchase of a Madison tavern by persons representing BALISTRIERI. One of the persons that HEIBEL believed was involved was a Dr. FNU ROSEN, a Milwaukee area dentist.

A review of the Milwaukee telephone directory Yellow Pages showed only one dentist with the last name of ROSEN. He is: EARL G. ROSEN, [redacted], Milwaukee, Wisconsin. His office is located at 6114 West Capitol Drive, Milwaukee. Records in the Milwaukee Administrative Office files and CIIC were checked with negative results.

GHH:sk

RECEIVED
NOV 2 1973
DCI

OC-1-133

FRANK A. MEYERS
ADMINISTRATOR

Arson Bureau
Organized Crime Bureau
General Investigations Bureau
Narcotics and Dangerous Drugs Bureau
Alcohol and Tobacco Enforcement Bureau

The State of Wisconsin

Department of Justice
Division of Criminal Investigation
123 West Washington Avenue
Madison 53702

ROBERT W. WARREN
ATTORNEY GENERAL

DAVID C. MEBANE
DEPUTY ATTORNEY GENERAL

October 25, 1973

Mr. J. Humphrey Lynch
District Attorney Dane County
Courthouse, 211 S. Carroll Street
Madison, Wisconsin 53709

Dear Jerry:

Re: Rainbow Enterprises Incorporated

At your request I had Director Gordon Chayka make a file search and summarize the information in our files on the officers of Rainbow Enterprises Incorporated.

I am including with this letter a copy of Mr. Chayka's report to me regarding this matter. As Mr. Chayka points out, it appears there is no valid reason for our division to deny approval for any of the corporate officers of Rainbow Enterprises Incorporated to receive the license in question.

I am going to forward a copy of this letter and the information compiled by Director Chayka to Madison Chief of Police, David Couper, so he will be aware of the background on Peter Polchert. There is an indication that Mr. Polchert is a gambler, and this might be one area to watch during this business's continued operation.

Please be assured of our continued cooperation in this and all other matters of mutual concern.

Sincerely,

Herbert L. Krusche
Acting Administrator

RECEIVED
NOV 7 1973
DCI

mlb
xc: David Couper, Chief
Madison Police Department

OC-1-134 (1)

FRANK A. MEYERS
ADMINISTRATOR

Arson Bureau
Organized Crime Bureau
General Investigations Bureau
Narcotics and Dangerous Drugs Bureau
Alcohol and Tobacco Enforcement Bureau

The State of Wisconsin

Department of Justice
Division of Criminal Investigation
123 West Washington Avenue
Madison 53702

ROBERT W. WARREN
ATTORNEY GENERAL

DAVID C. MEBANE
DEPUTY ATTORNEY GENERAL

October 25, 1973

Mr. David C. Couper
Chief of Police
Madison Police Department
City-County Building
Madison, Wisconsin 53709

Dear Chief:

Enclosed are copies of my response to District Attorney Lynch, regarding his request for background information on the Rainbow Enterprises. A copy of this information is being forwarded to you since you personally expressed concern over this matter at our meeting on October 23.

In addition to the information provided by Director Chayka, I have personal knowledge of the fact that various Milwaukee area organized crime figures have on occasion visited the Woods View Inn, in Milwaukee, and participated in high stake floating-type card games. We have no definite information connecting Mr. Polchert or other individuals listed for this corporation with organized crime in Milwaukee. It appears that Polchert is a gambler of some sort, and you may want to keep this operation under surveillance in the future for this type of illegal activity.

We would be interested in knowing if any of our Milwaukee area gamblers begin to frequent this business establishment in your area.

Please be assured of our desire to cooperate in all matters of mutual concern and/or interest.

Sincerely,

Herbert L. Krusche
Acting Administrator

mlb
xc: J. Humphrey Lynch, District Attorney
Dane County

(2)

AD-75

DEPARTMENTAL CORRESPONDENCE

Date: October 24, 1973

To: Herbert L. Krusche
Acting Administrator

From: Gordon M. Chayka
Director

Subject: Rainbow Enterprises Incorporated

Rainbow Enterprises Incorporated, d/b/a The Spectrum, 3520 East Washington Avenue, was granted a Class "B" liquor and fermented malt beverage license by the City of Madison in June, 1973, but this license had not been issued as of October 23, 1973 because of remodeling. This department has not been furnished copies of the corporate application or the Agent's Schedule X as yet, but we expect to receive them later this week or next.

Rainbow Enterprises Incorporated, 623 North 25th Street, Milwaukee, Wisconsin, lists the following officers:

PETER POLCHERT, President and Treasurer
JOEL ABRAMSON, Vice President and Secretary
NORMAN WEISS, Agent

PETER POLCHERT is president, treasurer and agent for BoPete Incorporated, holder of a Class "B" L/FMB license for Interns West, 5900 West National Avenue; JOEL ABRAMSON is vice president and secretary for BoPete Incorporated. This appears to have no connection with Interns East, 555 North 7th Street, Milwaukee.

I have checked our CIIC files for these corporations and individuals and find the following references:

Rainbow Enterprises Incorporated - negative. No apparent connection between this corporation and Rainbow Productions Incorporated, 516 North Green Bay Avenue, Milwaukee, which is a booking agency supplying topless/bottomless dancers to Madison night clubs.

No apparent connection between this corporation and Rainbow Super Bar Incorporated, [redacted], Milwaukee, which is operated by S[redacted] C[redacted], known gambler.

BoPete Incorporated - negative.

PETER POLCHERT, [redacted] Milwaukee. Subject is alleged to be a panderer at "The Den" which is the bar at Woodsview Inn, 5501 West National Avenue, West Milwaukee. Subject operates "The Interns West," 5900 West National Avenue, West Allis and is alleged to have placed bets with T[redacted] S[redacted], but he denied this under oath before

(3)

the Milwaukee County Grand Jury on May 16, 1972 (see file OC-55 "details" attached).

JOEL ABRAMSON - negative.

NORMAN FREDRICK WEISS, [redacted], Madison. Subject lists his previous occupation as "real estate management" and 1973 Madison city directory shows him as the manager of Park Village Apartments, [redacted], Madison. Wife: [redacted].

Subject was arrested March 21, 1971 as participant in a poker game held in a 5th floor room at the Schroeder Hotel, Milwaukee; 9 out of the 10 players were from the Madison area. Cases against all participants were dismissed by Judge CHRIST SERAPHIN.

Spectrum (trade name to be used for premises at 3520 East Washington Avenue, Madison).

No apparent connection between this name and Spectrum Products, P. O. Box [redacted], Rockaway Beach, New York, supplier of bingo and other gambling equipment to Wisconsin Deluxe Premium and Novelty Company, 1802 West Forest Home Avenue, Milwaukee, which was the subject of a commercial gambling arrest by this department May 1, 1972.

The premises was once one of Madison's finest supper clubs operated by L[redacted] W[redacted] as "The Ace of Clubs" until gutted by fire. Extensively repaired and remodeled, it was renamed "The Embers", but never regained its popularity. In recent years, the place was known as "Fat Fanny's", and de-emphasized food to try to capture the 18-25 year old patronage but failed financially and has been closed for some time.

CONCLUSION

On the basis of information available to us at this time, I see no valid excuse for this department to deny approval of NORMAN WEISS as agent for the licensed corporation, nor to attempt to override the action of the Madison City Council through revocation under section 176.121 of the statutes.

GORDON M. CHAYKA, Director

GMC/llc

Att:

1. Agent's Schedule X to accompany Madison application.
2. License application and supporting schedules, BoPete Inc., d/b/a "Interns West", West Allis.
3. Renewal application, Interns East, Milwaukee.
4. Details, OC-55, Summary of Testimony.

(4)

File: OC-1

5

Details:

On July 19, 1973, Auditor RICHARD ARKENBERG extracted the following information from the Wisconsin tax returns filed by:

Name: [redacted] SSN: [redacted]
Wife: [redacted] SSN: [redacted]
Address: [redacted], Milwaukee, Wisconsin 53215
Occupation: City of Milwaukee Police Inspector
Prepared by: FRANK's BOOKKEEPING AND TAX SERVICE
[redacted], Milwaukee, Wisconsin

1971 Tax Return

[redacted]

1970 Tax Return

[redacted]

AUG 07 1973

DCI

OC-1 - 184

[redacted]

1969 to 1966 Tax Returns

[redacted]

CASE ACTIVITY REPORT
DJ-DCI-25 (Rev 4/73)

WISCONSIN DEPARTMENT OF JUSTICE

Division of Criminal Investigation
123 W. Washington Ave.
Madison, Wisconsin 53703

Date: August 2, 1973

Case No.: OC-1

INVESTIGATORS: Special Agent Harold S. Engelbart

SUBJECT OF INVESTIGATION: FRANK P. BALISTRIERI

On July 27, 1973, S/A ENGELBART was in the vicinity of BALISTRIERI'S residence at 3043 North Shepard Avenue and took the following two license numbers of vehicles parked immediately across the street from BALISTRIERI'S residence. The two vehicles were: a 1972 Buick 2 door, Wisconsin license P338, registered to J[redacted] M[redacted] of 3048 North Shepard Avenue, Milwaukee, Wisconsin; and a 1967 Plymouth 2 door, Wisconsin license N53-751, registered to E[redacted] I[redacted] of [redacted], Milwaukee, Wisconsin. (NOTE: The P338 vehicle had been observed at SALLY'S RESTAURANT on prior occasions.)

HSE:sk

RECEIVED
AUG 10 1973
DCI - CIC

OC-1-125

LEADS:

1) Check all of the above names throught the Milwaukee D.C.I. Office files and CIIC and CIB and pass on any developed information to Special Agent HALL.

2) Check with the Secretary of State's Office regarding the possible formation of any corporate structure for TANGERINE and/or PEACHES AND CREAM.

AFS:sk
cc: OC-228

CASE ACTIVITY REPORT
DJ-DCI-25 (Rev 4/73)

WISCONSIN DEPARTMENT OF JUSTICE
Division of Criminal Investigation
123 W. Washington Ave.
Madison, Wisconsin 53703

Date: August 13, 1973

Case No.: OC-1

INVESTIGATORS: Special Agent Alfred F. Suhr and Director Herbert L. Krusche

SUBJECT OF INVESTIGATION: FRANK P. BALISTRIERI

On August 13, 1973, S/A BUD HALL of the Milwaukee FBI Office met with Director KRUSCHE and Special Agent SUHR in KRUSCHE'S office and discussed pornography in general, and Special Agent HALL provided substantially the following information regarding some of the FBI's current investigations:

One MICHAEL THEVIS, president of CINEMATICS INDUSTRIES, Atlanta, Georgia, and one R[redacted] S[redacted], Cleveland, Ohio, are both distributors of hard core pornography. M[redacted] F[redacted], an associate of THEVIS', and THEVIS both have Swiss bank accounts and it is rumored that they intend to leave the United States for Switzerland very soon. [redacted]

Of local interest, one J[redacted] H[redacted], A[redacted] S[redacted], B[redacted] W[redacted] and R[redacted] I[redacted], L[redacted] being the only person from Milwaukee, have recently formed a company called currently PEACHES AND CREAM. Special Agent HALL believed that the forerunner of PEACHES AND CREAM was called TANGERINE. HALL did not know whether either of these two companies was incorporatated, but his office is checking it out. The company makes movie machines in Milwaukee on the south side, address not indicated, and sells them nationwide. It will also be distributing in the near future hard core pornographic films. One P[redacted] I[redacted], who is associated with CASTLE NEWS, [redacted], is a girl friend of J[redacted] H[redacted]'S.

About three months ago, Special Agent HALL learned from an informant who is close to the people at the CENTRE STAGE, 624 North 2nd Street, that FRANK BALISTRIERI has approximately $15,000 invested in J[redacted] H[redacted]'S operation. HALL'S informant is now out of state but is expected to return in the near future and HALL will again get in contact with his informant.

When asked what he knew about G[redacted] C[redacted]'S whereabouts, Special Agent HALL replied that C[redacted] has been seen in Milwaukee only occasionally and most recently with the owner, name not stated, of CAPITOL BILLIARDS, [redacted], Milwaukee.

Special Agent HALL was informed that all of the above names would be checked through the D.C.I. files and any information on hand would be supplied to him.

RECEIVED
AUG 17 1973
DCI CIIC

OC-1-126

CASE ACTIVITY REPORT
DJ-DCI-25 (Rev 4/73)

Page ____ of ____ pages

WISCONSIN DEPARTMENT OF JUSTICE
Division of Criminal Investigation
123 W. Washington Ave.
Madison, Wisconsin 53703

Date: August 16, 1973

Case No.: OC-1
cc: OCI-18

INVESTIGATORS: Director Herbert L. Krusche

SUBJECT OF INVESTIGATION: FRANK BALISTRIERI - FIORE and FRANK BUCCIERI

On Friday, August 3, 1973, OCI-18 advised that SALLY PAPIA has been feeling continuous pressure from local Italians as a result of her differences with FRANK BALISTRIERI. OCI-18 said that STEVE DiSALVO and F[redacted] S[redacted] have been seen surveilling SALLY'S STEAK HOUSE late at night and that SALLY is afraid that some physical harm will be done to her. OCI-18 said that SALLY went to Chicago several weeks ago and met with FIORE BUCCIERI, FRANK BUCCIERI'S brother. FIORE BUCCIERI still believes that his brother, FRANK BUCCIERI, is married to SALLY PAPIA. The meeting in Chicago several weeks ago resulted after FIORE received information from Chicago syndicate members who visited JOHN BALISTRIERI'S party at the CENTRE STAGE THEATER about a month ago, that SALLY'S life was in jeopardy because FRANK BALISTRIERI was very upset with her attitude toward him and his family in recent months. OCI-18 said that SALLY was asked by BUCCIERI what her problems were with BALISTRIERI and why BALISTRIERI was upset with her all of a sudden. OCI-18 said that SALLY told FIORE BUCCIERI that she was afraid of physical harm because of BALISTRIERI'S current feelings toward her. OCI-18 said that SALLY told FIORE that she could not understand why BALISTRIERI was so angry with her but she thought it could be because she would not cater to him and give him or his friends free meals anymore. OCI-18 said that SALLY also told FIORE that BALISTRIERI was upset because some law enforcement people had been frequenting her restaurant on occasion and had been becoming quite familiar with her. SALLY told FIORE that BALISTRIERI felt that she was talking too much and telling the law enforcement people things that she should not tell them. SALLY, of course, denied these things to FIORE. OCI-18 said that as a result of SALLY'S visit to FIORE, FIORE sent two of his representatives to meet with BALISTRIERI and warn him that he would not tolerate any physical harm to SALLY.

OCI-18 said that SALLY'S uncle, C[redacted] I[redacted] (a/k/a [redacted]), had occasion to meet with FRANK BALISTRIERI at the CENTRE STAGE THEATER about a week ago. During the meeting, BALISTRIERI advised I[redacted], a long-time friend, that he was sure that his son, JOSEPH BALISTRIERI'S, recent car accident was no accident, and that the so-called accident occurred as a result of some kind of orders from Chicago. OCI-18 said that SALLY'S uncle told her to be very careful

RECEIVED
AUG 22 1973
DCI CIC

OC-1-127

because you could never tell what a man like BALISTRIERI would do as a result of his current feelings toward her.

OCI-18 advised that S[redacted]'S birth certificate in the City Hall was changed several years ago from S[redacted] L[redacted] to S[redacted] L[redacted], at the request of S[redacted], through her friend, A[redacted] P[redacted] (now deceased).

OCI-18 further advised that SALLY PAPIA has just finished negotiating the purchase of CHICO'S RESTAURANT on North Farwell and Milwaukee from F[redacted] L[redacted] and that this restaurant would be opening under S[redacted] nickname (S[redacted]). OCI-18 advised that S[redacted] is purchasing the equipment from F[redacted] L[redacted], as well as a building lease and good will, for approximately $75,000. OCI-18 is unable to say where SALLY is getting the money from to finance the takeover of L[redacted]'S restaurant. OCI-18 advised that FRANK BALISTRIERI is upset that SALLY is opening another place and that she is getting just a little bit too big for her britches.

Special Agent AL SUHR obtained a copy of S[redacted] L[redacted]'S birth certificate from the City Clerk in Milwaukee and a copy is attached to this report.

HLK:sk

STATE OF WISCONSIN, } SS
MILWAUKEE COUNTY,

OFFICE OF
Register of Deeds

No.

I, WALTER R. BARCZAK, Register of Deeds in and for said County, do hereby certify that the attached photograph of birth has been compared with the original in my office filed as document No. in Volume 980, Page 466, and is a true copy of the original.

(Note: Certification to birth records limited to non-confidential information.)

Seal

In Testimony Whereof, I have hereunto set my hand and affixed my official seal this 30th day of July A. D., 19 73

Walter R. Barczak

Register of Deeds, Milwaukee County, Wis.

Deputy Register of Deeds.

954R2

3

P. 466 of vol. 980

PLACE OF BIRTH

County of Milwaukee

No. 4134

Township of or Village of or City of Milwaukee

Register No. 2756

Roger William's Hospital 15/1 Ward

FULL NAME OF CHILD S[redacted] I[redacted]

Stillborn: Yes or No	Was child deformed or physically defective? Yes or No.	Nature of defect:
no	no	

Sex of Child	Color or Race of Child	Twin, Triplet, or other?	and	Number in order of birth	Legitimate?	Date of birth
fem	white				yes	[redacted] Month Day Year

FATHER	MOTHER
FULL NAME C[redacted] I[redacted] P[redacted]	FULL MAIDEN NAME J[redacted] P[redacted] P[redacted]
RESIDENCE Post Office [redacted]	RESIDENCE Post Office [redacted]
COLOR OR RACE white; AGE AT LAST BIRTHDAY 22 Years	COLOR OR RACE white; AGE AT LAST BIRTHDAY 17 Years
BIRTHPLACE Italy	BIRTHPLACE Wis
OCCUPATION Nature of Industry: truck driver	OCCUPATION Nature of Industry: hwfe

Number of children of this mother (Taken as of time of birth of child herein certified and including this child.) (a) Born alive and now living 1 (b) Born alive but now dead — (c) Stillborn —

What preventative for ophthalmia neonatorum did you use? [redacted]

Presentation caesarean section

CERTIFICATE OF ATTENDING PHYSICIAN OR MIDWIFE*

I hereby certify that I attended the birth of this child, and that it occurred on Mar [redacted] at 8:10 A M., on the date above stated.

*When there was no attending physician or midwife, then the father, householder, etc., should make this return. A stillborn child is one that neither breathes nor shows other evidence of life after birth.

(Signature) C. H. Bowyer

Physician or Midwife

Given name added from a supplemental report Month Day, 19 Address [redacted]

Registrar

Filed Mar 28, 1929 J.P.Koehler M.D. Registrar.

Recorded Apr 30-'29 P.C.Westfahl Register.

The corrections entered in red ink on the adjoining birth record were made this 19 day of Dec 1958 by me and are based on Supplemental Report. [signature] Register of Deeds

4

CASE ACTIVITY REPORT
DJ-DCI-25 (Rev 4/73)

WISCONSIN DEPARTMENT OF JUSTICE
Division of Criminal Investigation
123 W. Washington Ave.
Madison, Wisconsin 53703

Date: September 7, 1973

Case No.: OC -1

INVESTIGATORS: Director Herbert L. Krusche HK

SUBJECT OF INVESTIGATION: FRANK BALISTRIERI - I[redacted] B[redacted]

JACK WALLACE of the Federal IRS Intelligence reports that agents from his Division surveilled FRANK BALISTRIERI on Wednesday, August 15, 1973. WALLACE advised that during the surveillance, FRANK BALISTRIERI was observed meeting with and talking to I[redacted] B[redacted], at the CENTRE STAGE THEATER in Milwaukee, between 11:50 p.m., on Wednesday, August 15, 1973 and 12:45 a.m. on Thursday, August 16, 1973.

HLK:sk

RECEIVED
SEP 12 1973
DCI CIIC

HK

OC-1-128

CASE ACTIVITY REPORT
DJ-DCI-25 (Rev 4/73)

WISCONSIN DEPARTMENT OF JUSTICE

Division of Criminal Investigation
123 W. Washington Ave.
Madison, Wisconsin 53703

Date: Sept. 22, 1973

Case No.: OC-1

INVESTIGATORS: Agent Keenan Richard Wells KRW

SUBJECT OF INVESTIGATION: FRANK BALISTRIERI

At about 7:55 P.M. on Friday evening, Sept. 21, 1973, Agent KEENAN RICHARD WELLS observed one Cadillac parked in front of FRANK BALISTRIERI's home located at 3043 N. Shepard, Milwaukee, Wisconsin. The license plate of the vehicle was:

B45-494 registered to:
V[redacted]
[redacted]
Milwaukee, Wisconsin
1972 Cadillac 4 door 1974 Registration

No other activity or unusual occurrences were observed.

KRW:el

RECEIVED

OCT 8 1973

DCI	-	CIIC	

OC-1-129

CASE ACTIVITY REPORT
DJ-DCI-25 (Rev 4/73)

Page ___ of ___ pages

WISCONSIN DEPARTMENT OF JUSTICE
Division of Criminal Investigation
123 W. Washington Ave.
Madison, Wisconsin 53703

Date: Sept. 12, 1973

Case No.: OC-1

INVESTIGATORS: Agent KEENAN RICHARD WELLS KRW

SUBJECT OF INVESTIGATION: FRANK BALISTRIERI

On Tuesday evening, September 11, 1973 Agent KEENAN RICHARD WELLS observed the white top over red body Cadillac which belongs to FRANK BALISTRIERI. This vehicle bearing Wisconsin license plates L63-421 was parked directly across from the CENTRE STAGE located at 642 North 2nd Street, Milwaukee, Wisconsin. This vehicle was in this vicinity from 7:30 p.m. until after 8:30 p.m. The car was in a no parking zone.

S/A ALFRED SUHR reported to Agent WELLS that at 9:10 p.m. he had driven past the CENTRE STAGE and had not seen the venicle. Agent WELLS again drove past this area at 9:50 p.m. but with negative results.

LEADS: 1. Continue random observations for FRANK BALISTRIERI'S vehicle near the CENTRE STAGE.

2. Contact undercover Agent whenever BALISTRIERI is at CENTRE STAGE.

KRW:gk

RECEIVED

OCT 18 1973

DCI

OC-1-130

PERSONAL INTERVIEW REPORT
DJ-DCI-3

WISCONSIN DEPARTMENT OF JUSTICE
Division of Criminal Investigation – Operations
123 W. Washington Ave.
Madison, Wisconsin 53703

Date Oct. 18, 1973
Case No: OC-1

PARTY INTERVIEWED JACK HEIBEL

ADDRESS Madison Police Department, Madison, Wisconsin

INTERVIEWING AGENTS Special Agent Gary H. Hamblin

On Monday, October 8, 1973, HAMBLIN interviewed Madison Police Department Detective Supervisor JACK HEIBEL at his office in the Madison City-County Building. HEIBEL was contacted concerning information he had pertaining to the purchase of a Madison tavern by persons allegedly representing FRANK BALISTRIERI. HEIBEL stated substantially the following:

The tavern in question is known as THE SPECTRUM, 3520 East Washington Avenue, Madison, Wisconsin. The tavern is not yet open for business, and it is not known when it will open. The tavern was purchased from A[redacted] S[redacted], a vice president and director of BEATRICE FOODS, who operated the business under several names before encountering severe financial problems.

THE SPECTRUM is owned by and will be operated by RAINBOW ENTERPRISES, INC., with corporate offices at 623 North 2nd Street, Milwaukee. The officers of RAINBOW ENTERPRISES, INC., are as follows:

Pres.-Treas.: PETER POLCHERT, DOB [redacted]
Milwaukee, Wisconsin
SSN: [redacted]

V.Pres.-Sec.: JOEL ABRAMSON, DOB [redacted]
Milwaukee, Wisconsin
SSN: [redacted]

Agent: NORMAN WEISS, DOB [redacted]
Madison, Wisconsin
SSN: [redacted]

POLCHERT and ABRAMSON are officers of the corporations that operate the INTERNS-EAST and INTERNS-WEST, two nightclubs in the Milwaukee area.

The Madison Police Department had received information that a Milwaukee dentist, a Dr. FNU ROSEN, was providing the operating capital for THE

AGENTS SIGNATURES:

OCT 25 1973

DATES:

OC-1-131

SPECTRUM. Information was that ROSEN was acting as a front for FRANK BALISTRIERI.

A Madison city attorney called POLCHERT and ABRAMSON into his office and questioned them concerning any undisclosed financial interest that any persons may hold in THE SPECTRUM. Both denied that there was any undisclosed financial interest. They said that ROSEN had considered investing but at that point had not done so. They said that they would notify the city attorney immediately if any other parties should invest in THE SPECTRUM.

The Madison Police Department has received information from numerous sources that BALISTRIERI is behind the purchase and development of THE SPECTRUM. HEIBEL agreed to keep HAMBLIN up-to-date concerning developments at THE SPECTRUM.

GHH:so

CASE ACTIVITY REPORT
DJ-DCI-25 (Rev 4/73)

Page ____ of ____ pages

WISCONSIN DEPARTMENT OF JUSTICE
Division of Criminal Investigation
123 W. Washington Ave.
Madison, Wisconsin 53703

Date: October 23, 1973

Case No.: OC-1

INVESTIGATORS: Special Agent Gary H. Hamblin

SUBJECT OF INVESTIGATION: FRANK P. BALISTRIERI

On October 8, 1973, HAMBLIN interviewed Madison Police Detective JACK HEIBEL concerning information he had pertaining to the alleged purchase of a Madison tavern by persons representing BALISTRIERI. The tavern in question is known as the SPECTRUM and will be operated by RAINBOW ENTERPRISES, INC. The principals in this business, PETER POLCHERT, DOB [redacted], and JOEL ABRAMSON, DOB [redacted], also allegedly operate the INTERNS-EAST, 555 North 7th Street, Milwaukee, and the INTERNS-WEST, 5900 West National Avenue, West Allis.

On October 23, 1973, HAMBLIN obtained the attached liquor license applications for the INTERNS-EAST and the INTERNS-WEST, respectively.

LEADS:

1. Conduct background investigation on principals of the INTERNS-EAST and the INTERNS-WEST to determine if there is any significant relation to BALISTRIERI.

2. Determine whether or not there is any connection between the corporation operating the INTERNS-EAST and the corporation operating the INTERNS-WEST.

GHH:sk

RECEIVED
OCT 26 1973
DCI · CIIC

OC-1-132

CC-21

RENEWAL ALCOHOL BEVERAGE LICENSE APPLICATION - PREPARE IN DUPLICATE
Original - White; Duplicate - Pink (City Clerk will send duplicate to Department of Justice, Division of Criminal Investigation, Madison, Wisconsin)

Type of License Applied For

CLASS "B" TAVERN
FEE $500.00
PUBL. 4.00
TOTAL $504.00

To the Common Council of the City of Milwaukee, Milwaukee County, Wisconsin:
I/We hereby apply for renewal of an Alcoholic Beverage license as indicated in the box on the right for the period from the 1st day of July 1973 through the thirtieth of June next.

A. Individuals and Partnerships:

Full Name(s)	Home Address	City & ZIP Code

Check one:
Individual: ☐
Partnership: ☐
Corporation: ☒

Fee must accompany application (Check or money order)

B. If a corporation, complete the following: If not, skip this section and proceed to Section "C".

Full Name of Corporation: Interns East, Inc.
Address of Corporation (if different from licensed premises) 555 North 7th Street, Milwaukee, Wis. 53233
All Officers & Directors:

Title	Name	Home Address	City of Residence & ZIP Code
Pres.	James R. Thompson	[redacted]	Milwaukee, Wisconsin 53228
V/Pres.	Rosalia T. Santoro		Milwaukee, Wisconsin 53216
Sec'y.	Rosalia T. Santoro		as above
Treas.	James R. Thompson		Milwaukee, Wisconsin 53228
Agent	James R. Thompson		as above
Directors	James R. Thompson		as above
	J. Shirley Thompson		Milwaukee, Wisconsin 53228
	Rosalia T. Santoro		Milwaukee, Wisconsin 53216

C. 1. Business Address 555 North 7th Street, Milwaukee, Wis. 53233 Ward Number
Description of Licensed Premises (Include Storage) Cocktail Lounge
2. Business Telephone: [redacted] Trade Name: Interns East
3. Name and Address of Owner of Building: Thomp-Sant Co., [redacted], Milwaukee, Wis.
Who owns the fixtures? Interns East, Inc.
4. Since the filing of your last application, have you been convicted of violating any Federal, State or Local Laws?
Yes ___ No X. If yes, explain on back of this form.
5. Except for question 4, have there been any changes in the answers to the questions as submitted by you on your last application for this license? (If no, write "no") No
6. Do you have any bills of more than 15 days outstanding owing to any brewery or beer wholesaler? No
7. Do you have any liquor bills of more than 30 days outstanding owing to any liquor wholesaler? No
8. Do you understand that any license issued to you is void, if on the date of issuance you have any indebtedness of more than 15 days outstanding to any brewer, bottler or wholesaler of fermented malt beverages, or are indebted to a wholesaler for intoxicating liquor for a period of more than 30 days? Yes
9. Your Wis. Seller's Permit Number 134922

The undersigned, BEING FIRST DULY SWORN ON OATH, deposes and says that he is the person named in the foregoing application, that he has read each of the questions or statements in said application, that he has made a complete answer to each question or statement and that said answers in each instance are correct and true.

Subscribed and sworn to before me
this 9th day of May 1973.

[signature]
Notary Public; State of Wisconsin
My commission expires June 4, 1974

[redacted] Security Number
[redacted]
SECRETARY

NOTE: Up to $500 penalty for submitting false statements and affidavits in connection with this application.
Sec. 90-73.5 Milwaukee Code of Ordinances. State law provides penalties up to $2500 fine or 3 years.

Filed MAY 14 1973
License Number B-1343

Submitted to Common Council MAY 22 1973
Approved JUN 26 1973 City Clerk [signature]

45

ALCOHOL BEVERAGE LICENSE APPLICATION

FORM DJ-DCI-176 CORPORATION Rev.

Department of Justice
Division of Criminal Investigation

PREPARE IN DUPLICATE

4-12-73

ORIGINAL – WHITE R22291
DUPLICATE – PINK

Put Your Sales Tax Seller's Permit No. Here 164283

Type of License Applied For:
Fermented Malt Beverage
Class A ..... Fee $
Class B ..... X ..... Fee $ 100.00
Wholesale ..... Fee $
Intoxicating Liquor
Class A ..... Fee $
Class B ..... X ..... Fee $ 200.00
Publication .. X ..... Fee $ 1.50
TOTAL ..... Fee $ 301.50

1. ☐ New ☒ Renewal — Date Filed With Clerk: 4-12-73 — Licensing Period: From: 7/1/73 To: 6/30/74

2. To The Governing Body of (Fill in one only): Town of ____ Village of ____ City of West Allis — County: Milwaukee

WE HEREBY APPLY FOR A LICENSE AS INDICATED IN BOX ON RIGHT:

3. Name of Corporation: BoPete, Inc.

4. Date & Place of Organization: August 1970 - Milwaukee, Wis.

5. Mailing Address of Corporation: 5900 W. National Ave., West Allis, Wis.

6. Officers and Directors

	Name	[redacted]
PRESIDENT	Peter Polchert	[redacted], Milwaukee, Wis.
VICE PRESIDENT	Joel Abramson	[redacted], Milwaukee, Wis.
SECRETARY	Joel Abramson	[redacted], Milwaukee, Wis.
TREASURER	Peter Polchert	[redacted], Milwaukee, Wis.
AGENT	Peter Polchert	[redacted], Milwaukee, Wis.

(An agent must be appointed for Class A or Class B liquor, Class B fermented malt beverage by completing form DJ-DCI-179-Schedule X)

X Will you apply for a Federal Tax Stamp for the license period requested? YES

7. License location and description of premises. (All rooms directly or indirectly accessible from the barroom proper and under the dominion of the licensee must be included in the "Physical Description" of the premises to be licensed.)
Physical Description of Building or Premises: Large Room/Cocktail Lounge
Legal description (Omit if premise has No. and Street below)

8. Trade Name: Interns West — Location (Street, Highway, or Route): 5900 W. National Ave.

9. Describe any other business conducted on the premises: Food

10. Was this location licensed for beer or liquor during the past year? ☒ Yes ☐ No — Name and address of person holding license for premises for the past year: BoPete-Inc.

X 11. Have you applied for or do you hold any other alcoholic beverage license in Wisconsin or do you hold or have any interest in a wholesale liquor permit in Wisconsin? ☐ Yes ☒ No

12. Who owns tavern fixtures? BoPete, Inc. — If owned by others, state manner, terms, and conditions under which fixtures are held.

X 13. Has this corporation ever been convicted of violating any federal laws anywhere? NO
State Laws in this state or any other state? NO — Local ordinances? NO
Specify offenses, giving dates and places of conviction

X 14. Do you have any bills of more than 15 days outstanding owing to any brewery or wholesaler? ☐ Yes ☒ No
Do you have any liquor bills of more than 30 days outstanding owing to any liquor wholesaler? ☐ Yes ☒ No

X 15. Do you understand that any license issued to you is void if, on the date of issuance, you have any indebtedness of more than 15 days outstanding to any brewer, bottler or wholesaler of fermented malt beverages or are indebted to a wholesaler for intoxicating liquor for a period of more than 30 days? ☒ Yes ☐ No

Name of Corporation: BoPete, Inc.

STATE OF WISCONSIN
COUNTY OF Milwaukee } SS

Peter Polchert and

being first duly sworn, each for himself, deposes and says that they are respectively the President and Secretary of the applicant corporation named in the foregoing application, that he has read each of the questions of said application, that he has made [redacted] said answers in each instance are true and correct.

(NOTARY OR CLERK MUST ADMINISTER OATH)
Subscribed and sworn to before me this 1 day of June, 1973

Joel Abramson
Clerk – Notary Public
My commission expires Aug. 10, 1973

[redacted]

LICENSE INVALID UNLESS INFORMATION BELOW IS FURNISHED OVER SIGNATURE OF CLERK OR DEPUTY CLERK
I hereby state that the above application was reported to the Council or Board on ____ the License was granted on 6-19-73
and issued as License Number 47 on JUN 19 1973

Signature of Clerk Phil Elliott

NOTE: Each officer and director must also submit a form DJ-DCI-178-Schedule X

(SEAL)

Per ____ Title

DJ-DCI-178 Rev. 1-73
Department of Justice
Division of Criminal Investigation

PREPARE IN DUPLICATE

ORIGINAL – WHITE
DUPLICATE – PINK

SCH( )LE X – Attach to Partnership and Corporate( )lications

Whenever an application is made by a partnership or corporation for a license to sell fermented malt beverages and/or intoxicating liquor, the following questions must be answered by each member of the partnership and, in case of a corporation, by each officer and director of the corporation.

West Allis, Wisconsin April 11, 1973

1. Name and address: (Please Print)

Your Name Joel Abramson

Your Address [redacted] Milwaukee, Wis.

Age 41 Date of Birth [redacted] Place of Birth Milwaukee, Wi X Social Security No.

2. Name of Partnership or Corporation BoPete, Inc.

3. Official Capacity Vice-President/Secretary

4. Are you a full citizen of the United States? Yes Of Wisconsin? Yes

5. For how long immediately prior to making this application have you resided in Wisconsin? 41 Years

X 6. Have you made, or are you making (during the current license period) application for:
(a) any other intoxicating liquor and/or beer license in Wisconsin? No
(b) do you have any interest in any corporation holding a retail intoxicating liquor and/or beer license or a wholesale liquor permit? No
IF SO, LIST KIND AND LOCATION:

X 7. Have you ever been convicted of violating any Federal Laws anywhere? No

State Laws in this state or any other state? No

Local Ordinances? No

Specify offenses, giving dates and places of conviction

No No No

X 8. List in detail, for the past five years:

Your business or occupation	Names and address of employer	Date
Public Accountant	M. Weinstein & Co. CPA (Partner)	1956-1969
"	Berlack, Herwald & Co. CPA (")	1/1/70 to date

STATE OF WISCONSIN
COUNTY OF Milwaukee } SS

Joel Abramson being first duly sworn on oath, deposes and says that he is the person named in the foregoing Schedule X; that he has carefully read all the questions asked in said schedule, that he has made complete answer to each such question, and that his said answers in each instance are true and correct.

(NOTARY OR CLERK MUST ADMINIS[redacted]

Subscribed and sworn to before me
this 11 day of April, 19 73

Notary Public

My commission expires Permanent

DJ-DCI-178 Rev. 1-73
Department of Justice
Division of Criminal Investigation

PREPARE IN DUPLICATE

ORIGINAL - WHITE
DUPLICATE - PINK

SCH JLE X – Attach to Partnership and Corporate ɔlications

Whenever an application is made by a partnership or corporation for a license to sell fermented malt beverages and/or intoxicating liquor, the following questions must be answered by each member of the partnership and, in case of a corporation, by each officer and director of the corporation.

West Allis, Wisconsin April 11, 19 73

1. Name and address: (Please Print)

Your Name Peter Polchert

Your Address [redacted] Milwaukee, Wis. 53205

Age 43 Date of Birth [redacted] Place of Birth Milwaukee, Wis. X Social Security N[redacted]

2. Name of Partnership or Corporation BoPete, Inc.

3. Official Capacity President/Treasurer

4. Are you a full citizen of the United States? Yes Of Wisconsin? Yes

5. For how long immediately prior to making this application have you resided in Wisconsin? 43 Years

X 6. Have you made, or are you making (during the current license period) application for:
(a) any other intoxicating liquor and/or beer license in Wisconsin? No
(b) do you have any interest in any corporation holding a retail intoxicating liquor and/or beer license or a wholesale liquor permit?
IF SO, LIST KIND AND LOCATION:

X 7. Have you ever been convicted of violating any Federal Laws anywhere? No

State Laws in this state or any other state? NO

Local Ordinances? X NO

Specify offenses, giving dates and places of conviction

X 8. List in detail, for the past five years:

Your business or occupation	Names and address of employer	Date
LAB. TECH.	Miller BREWING Co. 4000 W. State	12-51 To 9-70
BoPete (Owner)	5900 We NATIONAL AVE	9-70

STATE OF WISCONSIN
COUNTY OF Milwaukee } SS.

Peter Polchert being first duly sworn on oath, deposes and says that he is the person named in the foregoing Schedule X; that he has carefully read all the questions asked in said schedule, that he has made complete answer to each such question, and that his said answers in each instance are true and corre[redacted]

(NOTARY OR CLERK MUST ADMINIST[redacted]

Subscribed and sworn to before me
this [redacted] 19 73

My commission expires Aug 10 1975

5

B-45

DJ-DCI-170 Rev. 1-73
Department of Justice
Division of Criminal Investigation

PREPARE IN DUPLICATE

ORIGINAL – WHITE
DUPLICATE – PINK

AGENT'S SCHEDULE X – Attach to Corporate Applications

All corporations applying for a license to sell fermented malt beverage and/or intoxicating liquor must appoint an agent pursuant to section 66.054(8) (e) and 176.05(13) Wis. Stat. The following questions must be answered by the Agent and the appointment signed by two officers of the corporation, and the recommendation made by the proper local official.

West Allis Wisconsin April 11, 1973

1. Name of Corporation BoPete, Inc. Address: 5900 W. National AVe.
2. Name of Agent Peter Polchert Other Corporation Office President/Treasurer
3. Are you a full citizen of the United States? Yes Of Wisconsin? Yes
4. Age 43 Date of Birth: [redacted] Place of Birth: Milwaukee, Wis. X Social Security No. [redacted]
5. For how long immediately prior to making this application have you resided continuously in Wisconsin? [redacted]
   Place of residence last year? [redacted] Milwaukee, Wis. [redacted]
6. X Have you made, or are you making (during the current license period) application for:
   (a) any other intoxicating liquor and/or beer license in Wisconsin? No
   (b) do you have any interest in any corporation holding a retail intoxicating liquor and/or beer license or a wholesale liquor permit? No
   IF SO, LIST KIND AND LOCATION:
7. X Have you ever been convicted of violating any Federal Laws anywhere? No
   State Laws in this state or any other state? No
   Local Ordinances? No
   Specify offenses, giving dates and places of conviction
8. X Previous Occupation? CABI Technician

STATE OF WISCONSIN
COUNTY OF Milwaukee

Peter Polchert (Agent's Name) being first duly sworn, on oath deposes and says that he is the person named in the foregoing Schedule X; that he has carefully read all questions asked in said schedule; that he has made complete answer to each such question, and that his said answers in each instance are true and correct.

(NOTARY OR CLERK MUST ADMINISTER OATH)

Subscribed and sworn to before me

this [redacted] 73

[redacted] (Address)

APPOINTMENT OF AGENT

The undersigned corporation appoints Peter Polchert as agent in accordance with section 66.054(8)(a) and 176.05(13) Wisconsin Statutes, subject to the approval of the Department of Justice.

[redacted]

By [redacted]

I hereby accept appointment as agent for BoPete, Inc. [redacted]

Dated April 11, 1973

CERTIFICATE TO BE COMPLETED BY PROPER OFFICIAL AS LISTED BELOW:

(a) In Towns, by Town Chairman
(b) In Villages, by the Village President
(c) In Cities, by Chief of Police

The appointment of above listed agent is herewith recommended: Date: April 18, 1973

I hereby certify that I have checked city and state criminal records and find no felony convictions or repeated misdemeanor convictions for the above named president, secretary and proposed agent for the above corporation. To the best of my knowledge, with the available information, his or her character, record and reputation are satisfactory and I have no objection to his or her appointment as agent.

Approved on: WISCONSIN DEPARTMENT OF JUSTICE
Division of Criminal Investigation

MAY 14 1973

By: Louis R. Renwick
(Signature of proper local official)

Prepare in Duplicate. Clerk must forward BOTH COPIES to Division of Criminal Investigation.

CASE ACTIVITY REPORT
DJ-DCI-25 (Rev 4/73)

Page ____ of ____ pages

WISCONSIN DEPARTMENT OF JUSTICE
Division of Criminal Investigation
123 W. Washington Ave.
Madison, Wisconsin 53703

Date: October 29, 1973

Case No.: OC-1

INVESTIGATORS: Special Agent Gary H. Hamblin

SUBJECT OF INVESTIGATION: FRANK P. BALISTRIERI

On October 8, 1973, HAMBLIN interviewed Madison Police Detective JACK HEIBEL concerning information he had pertaining to the alleged purchase of a Madison tavern by persons representing BALISTRIERI. One of the persons that HEIBEL believed was involved was a Dr. FNU ROSEN, a Milwaukee area dentist.

A review of the Milwaukee telephone directory Yellow Pages showed only one dentist with the last name of ROSEN. He is: EARL G. ROSEN, [redacted], Milwaukee, Wisconsin. His office is located at 6114 West Capitol Drive, Milwaukee. Records in the Milwaukee Administrative Office files and CIIC were checked with negative results.

GHH:sk

RECEIVED
NOV 2 1973
DCI

OC-1-133

FRANK A. MEYERS
ADMINISTRATOR

Arson Bureau
Organized Crime Bureau
General Investigations Bureau
Narcotics and Dangerous Drugs Bureau
Alcohol and Tobacco Enforcement Bureau

The State of Wisconsin

Department of Justice
Division of Criminal Investigation
123 West Washington Avenue
Madison 53702

ROBERT W. WARREN
ATTORNEY GENERAL

DAVID C. MEBANE
DEPUTY ATTORNEY GENERAL

October 25, 1973

Mr. J. Humphrey Lynch
District Attorney Dane County
Courthouse, 211 S. Carroll Street
Madison, Wisconsin 53709

Dear Jerry:

Re: Rainbow Enterprises Incorporated

At your request I had Director Gordon Chayka make a file search and summarize the information in our files on the officers of Rainbow Enterprises Incorporated.

I am including with this letter a copy of Mr. Chayka's report to me regarding this matter. As Mr. Chayka points out, it appears there is no valid reason for our division to deny approval for any of the corporate officers of Rainbow Enterprises Incorporated to receive the license in question.

I am going to forward a copy of this letter and the information compiled by Director Chayka to Madison Chief of Police, David Couper, so he will be aware of the background on Peter Polchert. There is an indication that Mr. Polchert is a gambler, and this might be one area to watch during this business's continued operation.

Please be assured of our continued cooperation in this and all other matters of mutual concern.

Sincerely,

Herbert L. Krusche
Acting Administrator

RECEIVED
NOV 7 1973
DCI

mlb
xc: David Couper, Chief
Madison Police Department

OC-1-134 (1)

FRANK A. MEYERS
ADMINISTRATOR

Arson Bureau
Organized Crime Bureau
General Investigations Bureau
Narcotics and Dangerous Drugs Bureau
Alcohol and Tobacco Enforcement Bureau

The State of Wisconsin

Department of Justice
Division of Criminal Investigation
123 West Washington Avenue
Madison 53702

ROBERT W. WARREN
ATTORNEY GENERAL

DAVID C. MEBANE
DEPUTY ATTORNEY GENERAL

October 25, 1973

Mr. David C. Couper
Chief of Police
Madison Police Department
City-County Building
Madison, Wisconsin 53709

Dear Chief:

Enclosed are copies of my response to District Attorney Lynch, regarding his request for background information on the Rainbow Enterprises. A copy of this information is being forwarded to you since you personally expressed concern over this matter at our meeting on October 23.

In addition to the information provided by Director Chayka, I have personal knowledge of the fact that various Milwaukee area organized crime figures have on occasion visited the Woods View Inn, in Milwaukee, and participated in high stake floating-type card games. We have no definite information connecting Mr. Polchert or other individuals listed for this corporation with organized crime in Milwaukee. It appears that Polchert is a gambler of some sort, and you may want to keep this operation under surveillance in the future for this type of illegal activity.

We would be interested in knowing if any of our Milwaukee area gamblers begin to frequent this business establishment in your area.

Please be assured of our desire to cooperate in all matters of mutual concern and/or interest.

Sincerely,

Herbert L. Krusche
Acting Administrator

mlb
xc: J. Humphrey Lynch, District Attorney
Dane County

(2)

AD-75

DEPARTMENTAL CORRESPONDENCE

Date: October 24, 1973

To: Herbert L. Krusche
Acting Administrator

From: Gordon M. Chayka
Director

Subject: Rainbow Enterprises Incorporated

Rainbow Enterprises Incorporated, d/b/a The Spectrum, 3520 East Washington Avenue, was granted a Class "B" liquor and fermented malt beverage license by the City of Madison in June, 1973, but this license had not been issued as of October 23, 1973 because of remodeling. This department has not been furnished copies of the corporate application or the Agent's Schedule X as yet, but we expect to receive them later this week or next.

Rainbow Enterprises Incorporated, 623 North 25th Street, Milwaukee, Wisconsin, lists the following officers:

PETER POLCHERT, President and Treasurer
JOEL ABRAMSON, Vice President and Secretary
NORMAN WEISS, Agent

PETER POLCHERT is president, treasurer and agent for BoPete Incorporated, holder of a Class "B" L/FMB license for Interns West, 5900 West National Avenue; JOEL ABRAMSON is vice president and secretary for BoPete Incorporated. This appears to have no connection with Interns East, 555 North 7th Street, Milwaukee.

I have checked our CIIC files for these corporations and individuals and find the following references:

Rainbow Enterprises Incorporated - negative. No apparent connection between this corporation and Rainbow Productions Incorporated, 516 North Green Bay Avenue, Milwaukee, which is a booking agency supplying topless/bottomless dancers to Madison night clubs.

No apparent connection between this corporation and Rainbow Super Bar Incorporated, [redacted], Milwaukee, which is operated by S[redacted] C[redacted] known gambler.

BoPete Incorporated - negative.

PETER POLCHERT, [redacted] Milwaukee. Subject is alleged to be a panderer at "The Den" which is the bar at Woodsview Inn, 5551 West National Avenue, West Milwaukee. Subject operates "The Interns West," 5900 West National Avenue, West Allis and is alleged to have placed bets with T[redacted] S[redacted], but he denied this under oath before

(3)

the Milwaukee County Grand Jury on May 16, 1972 (see file OC-55 "details" attached).

JOEL ABRAMSON - negative.

NORMAN FREDRICK WEISS, [redacted], Madison. Subject lists his previous occupation as "real estate management" and 1973 Madison city directory shows him as the manager of Park Village Apartments, [redacted], Madison. Wife: [redacted].

Subject was arrested March 21, 1971 as participant in a poker game held in a 5th floor room at the Schroeder Hotel, Milwaukee; 9 out of the 10 players were from the Madison area. Cases against all participants were dismissed by Judge CHRIST SERAPHIN.

Spectrum (trade name to be used for premises at 3520 East Washington Avenue, Madison).

No apparent connection between this name and Spectrum Products, P. O. Box [redacted], Rockaway Beach, New York, supplier of bingo and other gambling equipment to Wisconsin Deluxe Premium and Novelty Company, 1802 West Forest Home Avenue, Milwaukee, which was the subject of a commercial gambling arrest by this department May 1, 1972.

The premises was once one of Madison's finest supper clubs operated by L[redacted] W[redacted] as "The Ace of Clubs" until gutted by fire. Extensively repaired and remodeled, it was renamed "The Embers", but never regained its popularity. In recent years, the place was known as "Fat Fanny's", and de-emphasized food to try to capture the 18-25 year old patronage but failed financially and has been closed for some time.

CONCLUSION

On the basis of information available to us at this time, I see no valid excuse for this department to deny approval of NORMAN WEISS as agent for the licensed corporation, nor to attempt to override the action of the Madison City Council through revocation under section 176.121 of the statutes.

GORDON M. CHAYKA, Director

GMC/llc

Att:

1. Agent's Schedule X to accompany Madison application.
2. License application and supporting schedules, BoPete Inc., d/b/a "Interns West", West Allis.
3. Renewal application, Interns East, Milwaukee.
4. Details, OC-55, Summary of Testimony.

(4)

CASE ACTIVITY REPORT
DJ-DCI-25 (Rev 4/73)

Page ___ of ___ pages

WISCONSIN DEPARTMENT OF JUSTICE
Division of Criminal Investigation
123 W. Washington Ave.
Madison, Wisconsin 53703

Date: Nov. 13, 1973

Case No.: OC-1

INVESTIGATORS: Agent Keenan Richard Wells KRW

SUBJECT OF INVESTIGATION: FRANK BALISTRIERI

On Monday evening, November 12, 1973, at about 6:20 p.m., Agent WELLS observed FRANK BALISTRIERI enter his white vinyl over red Cadillac, bearing Wisconsin license plates L63-421. This vehicle was illegally parked on 2nd Street in front of the CENTRE STAGE DINNER PLAYHOUSE located at [redacted], Milwaukee, Wisconsin.

BALISTRIERI was accompanied by a tall white female, blond hair and about 28 years old. This female was highly attractive and dressed conservatively.

BALISTRIERI drove his Cadillac to North 5th Street and Michigan Avenue where he again illegally parked. He got out of the automobile without the female and proceeded to walk into THE NEW YORKER LOUNGE located at [redacted], Milwaukee, Wisconsin. BALISTRIERI spent five minutes at this location, walked out of the lounge and past an adult book shop called LIB'S BOOK STORE located at [redacted], Milwaukee, Wisconsin. Here he stopped at the entrance and appeared to wave at someone in the store.

BALISTRIERI got back into his vehicle and proceeded to drive south on I-94. No one else but BALISTRIERI and the unidentified female appeared to be in the car.

KRW:so

RECEIVED
NOV 21 1973
DCI

OC-1-135

CASE ACTIVITY REPORT
DJ-DCI-25 (Rev 4/73)

Page ____ of ____ pages

WISCONSIN DEPARTMENT OF JUSTICE
Division of Criminal Investigation
123 W. Washington Ave.
Madison, Wisconsin 53703

Date: November 20, 1973

Case No.: OC-1

INVESTIGATORS: Special Agent Alfred F. Suhr

SUBJECT OF INVESTIGATION: FRANK P. BALISTRIERI

During May 1973, Special Agent SUHR reviewed toll checks for the telephones located in BALISTRIERI'S house, 3043 North Shepard Avenue, Milwaukee, and determined that telephone calls were placed to numbers listed to the following individuals, among others (OC-1-121):

A[redacted] R[redacted]
Brookfield, Wisconsin

B[redacted] E[redacted]
Elkhorn, Wisconsin

FRANK RANNEY
[redacted]
Wisconsin

S[redacted] G[redacted]
Port Washington, Wisconsin

J[redacted] C[redacted]
Route [redacted], Slinger, Wisconsin

D[redacted] E[redacted]

On October 25, 1973, an indices check request was returned from CIIC which indicated there were no previous references to G[redacted], C[redacted] and E[redacted], and all three were negative in CIB.

There were numerous references to A[redacted] R[redacted] primarily in regard to his activities involving the defunct PARA CORPORATION in which FRANK BALISTRIERI figured prominently (reference report, titled FRANK P. BALISTRIERI, 12-19-444, pages 125 through 139 and page 235). R[redacted] was interviewed on February 13, 1968, by then Special Agents WALTER A. YOUNK and HERBERT L. KRUSCHE in which he gave an account of his association with BALISTRIERI, G[redacted] C[redacted] and the bankrupt PARA CORPORATION. He also claimed he was not a personal friend of BALISTRIERI'S. (Reference 12-19-350)

LEADS:

1. Do background checks on G[redacted], C[redacted] and E[redacted] and attempt to determine their association with BALISTRIERI.

2. Since R[redacted] has not come to the attention of the D.C.I. since his February 1968 interview, update background on him to determine his current involvement with BALISTRIERI.

AS:sk

RECEIVED
NOV 26 1973
DCI CIIC

OC-1-136

CASE ACTIVITY REPORT
DJ-DCI-25 (Rev 4/73)

Page ____ of ____ pages

WISCONSIN DEPARTMENT OF JUSTICE
Division of Criminal Investigation
123 W. Washington Ave.
Madison, Wisconsin 53703

Date: December 10, 1973

Case No.: OC-1
cc: OC-159

INVESTIGATORS: Special Agent Alfred F. Suhr

SUBJECT OF INVESTIGATION: FRANK P. BALISTRIERI

As a result of Special Agent SUHR'S telephonically contacting Officer R. YAPTANGCO of the San Diego, California, Police Department Intelligence Unit on November 29, 1973, regarding information of ANDREW LOCOCO'S funeral (OC-159-48), and Special Agent SUHR'S telephonically notifying that same department that FRANK BALISTRIERI had departed the Milwaukee area on November 29, 1973 (OC-159-49), Officer YAPTANGCO forwarded the attached report from the San Diego Police Department concerning some details of that department's contact with BALISTRIERI in the San Diego area.

AFS:sk

RECEIVED
DEC 13 1973

DCI			CIIC

OC-1-137

CASE ACTIVITY REPORT
DJ-DCI-25 (Rev 4/73)

Page ____ of ____ pages

WISCONSIN DEPARTMENT OF JUSTICE

Division of Criminal Investigation
123 W. Washington Ave.
Madison, Wisconsin 53703

Date: DNov. 29, 1973

Case No.: OC-1

INVESTIGATORS: Auditor Richard J. Arkenberg

SUBJECT OF INVESTIGATION: [redacted] - Tax Summary

On November 29, 1973, Auditor RICHARD J. ARKENBERG extracted the following information from the Wisconsin tax returns filed by:

Name:
Wife:

Children:
Address:

Phone:
Occupation:

Prepared By:

[redacted]

1972 Tax Return:

[redacted]

1971 Tax Return:

[redacted]

DCI			CIIC

OC-1-138

[redacted]

1970 Tax Return:

[redacted]

1969 Tax Return:

[redacted]

1968 Tax Return:

[redacted]

RJA:sk

CASE ACTIVITY REPORT
DJ-DCI-25 (Rev 4/73)

WISCONSIN DEPARTMENT OF JUSTICE

Division of Criminal Investigation
123 W. Washington Ave.
Madison, Wisconsin 53703

Date: 11-29-73

Case No.: OC-1

INVESTIGATORS: Auditor Richard J. Arkenberg

SUBJECT OF INVESTIGATION: [redacted] - Tax Summary

On November 29, 1973, Auditor RICHARD J. ARKENBERG extracted the following information from the Wisconsin tax returns filed by:

Name: [redacted]
Wife:
Child:
Address:
Occupation:

Prepared by:

1972 Tax Return

[redacted]

RECEIVED
DEC 17 1973
DCI CIIC

OC-1-139

1971 Tax Return

[redacted]

1970 Tax Return

[redacted]

1969 Tax Return

[redacted]

1968 Tax Return

[redacted]

RA:el

CASE ACTIVITY REPORT
DJ-DCI-25 (Rev 4/73)

WISCONSIN DEPARTMENT OF JUSTICE

Division of Criminal Investigation
123 W. Washington Ave.
Madison, Wisconsin 53703

Date: 11-29-73

Case No.: OC-1

INVESTIGATORS: Auditor Richard J. Arkenberg RA

SUBJECT OF INVESTIGATION: [redacted] Tax Summary

On November 29, 1973, Auditor RICHARD J. ARKENBERG extracted the following information from the Wisconsin tax return filed by:

Name: [redacted] SSN: [redacted]
Wife: [redacted] SSN: [redacted]
Children: [redacted]
Address: [redacted]

Occupation: [redacted]
Prepared by: [redacted]

1972 Tax Return

[redacted]

DEC 17 1973

DCI

OC-1-140

[redacted]

1971 Tax Return

[redacted]

1970 Tax Return

[redacted]

1969 Tax Return

[redacted]

RA:el

CASE ACTIVITY REPORT
DJ-DCI-25 (Rev 4/73)

Page ____ of ____ pages

WISCONSIN DEPARTMENT OF JUSTICE

Division of Criminal Investigation
123 W. Washington Ave.
Madison, Wisconsin 53703

Date: December 12, 1973

Case No.: OC-1

INVESTIGATORS: Special Agent Alfred F. Suhr

SUBJECT OF INVESTIGATION: FRANK PETER BALISTRIERI

On December 6, 1973, a report dated November 30, 1973, subject as above, was received in the Milwaukee D.C.I. Office from Officer R. YAPTANGCO of the San Diego, California, Police Department Intelligence Unit (OC-1-137). A portion of referenced report from San Diego indicated that FRANK BALISTRIERI and A[redacted] B[redacted] were stopped and briefly interviewed enroute to the boarding area at the San Diego International Airport. The police officers who interviewed FRANK BALISTRIERI told him that they were investigating a jewel burglary and were interested in the ring on his finger. Among other things, FRANK BALISTRIERI stated that the investigating officers could contact his friend, Milwaukee Police Chief BRIER, who would vouch for him.

On December 11, 1973, Special Agent SUHR telephonically contacted Officer YAPTANGCO and requested that his department telephonically contact Milwaukee Police Chief HAROLD BRIER to confirm FRANK BALISTRIERI'S statement that Police Chief BRIER was BALISTRIERI'S friend and would vouch for BALISTRIERI. Further, Special Agent SUHR requested that YAPTANGCO'S department ask BRIER whether FRANK BALISTRIERI were known to have any criminal connections in Milwaukee. Special Agent SUHR asked Officer YAPTANGCO not to mention the LOCOCO funeral, but merely indicate that his department was attempting to confirm BALISTRIERI'S statement at the airport.

Officer YAPTANGCO stated that he would take the request up with his superiors. YAPTANGCO did not foresee any difficulty and told Special Agent SUHR that he would let him know of the outcome for the request.

AFS:sk

RECEIVED
DEC 17 1973
DCI CIC

OC-1-141

CASE ACTIVITY REPORT
DJ-DCI-25 (Rev 4/73)

WISCONSIN DEPARTMENT OF JUSTICE
Division of Criminal Investigation
123 W. Washington Ave.
Madison, Wisconsin 53703

Date: December 19, 1973

Case No.: OC-1

INVESTIGATORS: Special Agent Alfred F. Suhr

SUBJECT OF INVESTIGATION: FRANK P. BALISTRIERI

On December 19, 1973, Officer R. YAPTANGCO of the San Diego, California, Police Department Intelligence Unit, telephonically contacted Special Agent SUHR regarding a previous request made by Special Agent SUHR on December 11, 1973, (OC-1-141), and YAPTANGCO stated substantially as follows:

YAPTANGCO'S superiors declined to have any member of the San Diego Police Department telephonically contact Milwaukee Police Chief HAROLD BREIER to confirm FRANK BALISTRIERI'S statement that Police Chief BREIER was BALISTRIERI'S friend and would vouch for BALISTRIERI. YAPTANGCO declared that the reason his superiors declined this request by the Wisconsin Department of Justice was because there could be further ramifications or problems arising out of such a contact.

AFS:kmj

RECEIVED
DEC 28 1973
DCI

OC-1-142

LAW ENFORCEMENT INTELLIGENCE UNIT

REPRESENTING LAW ENFORCEMENT THROUGHOUT THE UNITED STATES

December 14, 1973

Bulletin No.: 73-39

TO: ALL L.E.I.U. MEMBERS

ADDITIONAL INFORMATION

ANDREW J. LOCOCO, LEIU 1527 - LOCOCO succumbed in Stockton, California on Nov. 25, 1973. It is estimated that approximately 100 persons attended the Rosary in San Diego and approximately 300 were present during Mass and funeral proceedings. Michael COHEN, LEIU 117, was observed at the funeral with [redacted], LEIU 2. Frank Peter BALISTRIERI, LEIU E-147 also attended.

ENCLOSURES

Bul. #73-39A - Request for information submitted by the Houston, Texas Police Department/Lt. J. D. Belcher, Criminal Intelligence Division.

Bul. #73-39B - Information on two unique weapons submitted by the San Bernardino, County Sheriffs Department/Sgt. Philip Bonanno, Intelligence Unit.

LEIU Cards:

Northwestern/Southwestern Zone Cards N-196
N-197/S-309
N-198/S-310
N-199/S-311
N-200/S-312
N-201/S-313

National cards	2995	3000	3005	3010	3015	3020
	2996	3001	3006	3011	3016	3021
	2997	3002	3007	3012	3017	3022
	2998	3003	3008	3013	3018	3023
	2999	3004	3009	3014	3019	3024

Don Carroll
DON CARROLL
General Chairman

RECEIVED
JAN 8 1974
DCI

Encl.

3

OC-1-143

January 17, 1974

OCR-
cc: OC-1

Special Agent Walter A. Younk

Pornography - Outside Agency Request

On January 16, 1974, S/A BUD HALL, Milwaukee FBI Office, was contacted for additional information on a pornographic operation known as TANGERINE, INC., and its principals, as set out in OC-1-126. (Additionally, in response to a request from the Criminal Intelligence Unit of the Georgia Department of Public Safety, background data was assembled for that Unit and set out in letter filed as OCR-98).

HALL stated that P[redacted] N[redacted] recently left the Milwaukee area and is now believed to be in Cleveland, and again employed in the porno business.

TANGERINE, INC. is now operating out of a warehouse in Bayside under the name of PEACHES & CREAM. Currently active in the business are: G[redacted] H[redacted], who has addresses both in Milwaukee and Chicago; R[redacted] L[redacted] (see OCR-98 for background), and a B[redacted] W[redacted], not otherwise identified except that he is from Las Vegas.

All three formerly were employed by, and fired from, PEACH TREE, a porno operation in Atlanta, Georgia.

All three are active in the operation of the GENTLEMEN'S BOOK-STORE and other Milwaukee smut shops.

HALL reiterated that FRANK P. BALISTRIERI definitely invested $15,000 into HEMP'S business (PEACHES & CREAM) here.

(The above information, exclusive of the reference to BALISTRIERI'S involvement, was passed telephonically to J.R. HAMRICK, supervisor of the Georgia Criminal Intelligence Unit on January 16, 1974.)

WAY:sk

RECEIVED

JAN 21 1974

DCI

OC-1-144

CASE ACTIVITY REPORT
DJ-DCI-25 (Rev 4/73)

Page ___ of ___ pages

WISCONSIN DEPARTMENT OF JUSTICE
Division of Criminal Investigation
123 W. Washington Ave.
Madison, Wisconsin 53703

Date: December 25, 1973

Case No.: OC-1

INVESTIGATORS: Director Herbert L. Krusche

SUBJECT OF INVESTIGATION: FRANK BALISTRIERI

Director KRUSCHE met with reliable informant OCI-18 between 2:00 p.m. 4:00 p.m. on December 20, 1973. OCI-18 said that FRANK BALISTRIERI is very close to two Chicago hoodlums who were top lieutenants in the PHIL ALDERISIO organized crime group in Chicago prior to ALDERISIO'S death about a year ago. OCI-18 said that BALISTRIERI is going to Chicago to visit with F[redacted] and ANTHONY SPILOTRO. OCI-18 said that SPILOTRO and S[redacted] represent some of the more militant younger organized crime group in Chicago that want to operate in the old violent manner, contrary to the policies currently set out by A[redacted] A[redacted] and deceased Chicago organized crime boss FIORE BUCCIERI. OCI-18 said that S[redacted] and SPILOTRO travelled to Milwaukee several times a month to visit with FRANK BALISTRIERI and that on occasion FRANK BALISTRIERI goes to Chicago to visit with them.

OCI-18 said that FRANK BALISTRIERI engineered the murder of LOUIS FAZIO for the following reasons:

1. LOUIS FAZIO was holding out on gambling kickbacks to BALISTRIERI.

2. LOUIS FAZIO was busy cultivating politicians from City Hall in Milwaukee while BALISTRIERI was serving time in Sandstone Penitentiary. BALISTRIERI lost some ground in this area while he was in the Penitentiary and felt that FAZIO was becoming a threat to him and his image as the Milwaukee organized crime boss.

3. BALISTRIERI has felt very insecure and believes that there were too many informants within the local organization. No one had been hit for some time in the Milwaukee area, at least from the Italian community, and BALISTRIERI felt that LOUIS FAZIO'S assassination would close some mouths and make informants more reluctant to be cooperative with the police.

4. BALISTRIERI was angry with SALLY PAPIA because she has been seen talking to law enforcement officials on many occasions. BALISTRIERI felt that SALLY PAPIA was giving out important information on the local mob's activities including his own and he felt that he wanted to get back at her for this. BALISTRIERI was afraid to harm SALLY

RECEIVED
JAN 24 1974
DCI

PAPIA because she was going with FRANK BUCCIERI, brother of FIORE BUCCIERI, a top organized crime figure from Chicago. OCI-18 said that BALISTRIERI told the FAZIOS that the BUCCIERIS from Chicago were responsible for assassinating their brother, LOUIS FAZIO, in hopes that the FAZIOS would retaliate against SALLY PAPIA and thereby bring the Chicago mob down on them. BALISTRIERI felt that he would serve two purposes in this area, 1) He would get rid of SALLY PAPIA, and 2) He would eliminate the FAZIO family from the Milwaukee scene so that he would have clear sailing with the local politicians.

OCI-18 said that there is some bad feeling on the part of STEVE DiSALVO becuase of FRANK BALISTRIERI'S actions at the time that he (BALISTRIERI) entered Sandstone Federal Penitentiary. OCI-18 said that BALISTRIERI took his brother, PETER BALISTRIERI, to Chicago and had him admitted to the mafia. BALISTRIERI advised the Chicago leaders that PETER would be in charge of his organization while he was in the Penitentiary. OCI-18 said that BALISTRIERI also lied to the bosses in Chicago relative to PETER BALISTRIERI'S being involved in the commission of a murder, one of the requisits for admission into the organization. OCI-18 said that STEVE DiSALVO has been loyal to FRANK BALISTRIERI for 30 years and that STEVE DiSALVO was put out at the fact that BALISTRIERI did not put him in charge in his absence. OCI-18 said that BALISTRIERI has continued to keep STEVE DiSALVO close to him since he was released from Sandstone Prison and that STEVE DiSALVO is still loyal to BALISTRIERI. OCI-18 said that STEVE DiSALVO is seen in the company of F[redacted] S[redacted] very frequently and that F[redacted] S[redacted] currently dislikes FRANK BALISTRIERI very much.

OCI-18 said that SALLY PAPIA has learned through the BUCCIERIS that the FAZIO family attempted to get someone from Chicago to burn her house down. OCI-18 said that SALLY learned that two "torch men" or arsonists from Chicago were solicited by the FAZIOS for the job, through F[redacted] S[redacted] and TONY SPILOTRO. OCI-18 said that it is believed that the FAZIOS were put in touch with the alleged arsonists with the help of FRANK BALISTRIERI. OCI-18 said that the FAZIOS were making an offer of $1,500 to burn SALLY PAPIA'S house down. According to OCI-18, the two arsonists came to Milwaukee and met with the FAZIOS and solicited a down payment on a total payment of $2,500 to torch SALLY'S house. The arsonists returned to Chicago and attempted to get permission to carry out the burning of SALLY'S house. SALLY PAPIA has told OCI-18 that FIORE BUCCIERI intervened and that the two arsonists were advised they could not carry out the plot. OCI-18 said that SALLY has said that the arsonists did not return the down payment to the

FAZIOS and the FAZIOS are very angry over the whole matter.

OCI-18 said that as the result of FIORE BUCCIERI learning that there was an attempt to hurt SALLY through the burning of her home, he sent two of his henchmen, J[redacted] V[redacted] T[redacted] and A[redacted] P[redacted] to Milwaukee to talk to FRANK BALISTRIERI. T[redacted] and P[redacted] were advised to tell BALISTRIERI that if any harm came to SALLY, any members of her family, or any of her property, the BALISTRIERI family would be put out of existance. According to OCI-18, the message was delivered to BALISTRIERI by T[redacted] and PETRI. OCI-18 explained that FIORE BUCCIERI liked SALLY very much prior to his death, and believed that SALLY was actually married to his brother, FRANK BUCCIERI. OCI-18 said that SALLY PAPIA has been travelling to Riverside, Illinois, where she has been helping to manage a restaurant-night club that is operated and owned by FRANK BUCCIERI. OCI-18 said that R[redacted] E[redacted] accompanies SALLY to Riverside, Illinois, and also helps in the management of the night club in question. OCI-18 said that FRANK BUCCIERI still travels to Milwaukee on occasion and spends time with SALLY PAPIA, at her residence, in Wauwatosa.

OCI-18 said that SALLY was visited by Milwaukee Alderman JENDUSA while she was negotiating to buy the CHICO'S RESTAURANT from F[redacted] I[redacted]. JENDUSA advised SALLY that he was surprised that she was on the outs with FRANK BALISTRIERI. He said that she should think twice about buying the restaurant from L[redacted] because BALISTRIERI had used all of his influence to see that she would have trouble in keeping the license for that establishment. OCI-18 said that FRANK BALISTRIERI definitely has Alderman MARK RYAN and ex-Alderman ALLEN CALHOUN in his pocket. OCI-18 said that CALHOUN and his wife were sent into SALLY'S restaurant by BALISTRIERI for free meals and drinks, prior to SALLY PAPIA having a falling out with BALISTRIERI. OCI-18 said that CALHOUN never paid and ate lobster at SALLY'S restaurant three times a week. OCI-18 said that SALLY gave away approximately $6,000 worth of food and drinks in one year to policemen and politicians at the request of BALISTRIERI.

OCI-18 said that FRANK BALISTRIERI, up until a year and a half ago, was a frequent visitor to SALLY PAPIA'S restaurant with a banker named J[redacted] R[redacted]. OCI-18 said that FRANK BALISTRIERI was associated with STEVE DiSALVO and HENRY NECHY in the siding business and that BALISTRIERI was instrumental in getting R[redacted] to give various loans to NECHY from the BANK OF JACKSON and the BANK OF FREDONIA. OCI-18 said that R[redacted] was going with either a Hawaiian or Chinese girl that he met in the AD-LIB COCKTAIL LOUNGE operated by FRANK BALISTRIERI.

OCI-18 said that FRANK BALISTRIERI is close to Milwaukee Police Chief HAROLD BRAER. OCI-18 said that SALLY PAPIA has said that she was present when BALISTRIERI talked about his friend HAROLD BRAER and that there is an agreement between BRAER and BALISTRIERI relative to organized crime in Milwaukee. OCI-18 said that HAROLD BRAER will refuse to acknowledge the fact that organized crime exists in the City of Milwaukee and that FRANK BALISTRIERI has agreed not to attempt to open the town up to organized crime activities on a large-scale basis.

LEADS:

Open a DCI intelligence case file on F[redacted] S[redacted] and ANTHONY SPILOTRO. Purge all CIIC files on these two individuals and obtain as much information as possible from Chicago authorities on these two subjects. Obtain up-to-date license numbers and vehicles that are registered to these individuals. Get Illinois authorities to run toll checks on each of these individuals' residences to see whether or not there is any contact with FRANK BALISTRIERI or any of the local mob associates in Milwaukee.

HLK:sk

cc: OC-14
OCI-18
OC-104
OC-254
OC-255
OC-9

CASE ACTIVITY REPORT
DJ-DCI-25 (Rev 4/73)

WISCONSIN DEPARTMENT OF JUSTICE

Division of Criminal Investigation
123 W. Washington Ave.
Madison, Wisconsin 53703

Date: 12-19-74

Case No.: OC-1

INVESTIGATORS: Auditor Richard J. Arkenberg RA

SUBJECT OF INVESTIGATION: [redacted] TAX SUMMARY

On December 19, 1973, Auditor ARKENBERG extracted the following information from the Wisconsin tax return filed by:

Name: [redacted] SSN [redacted]
Wife: [redacted] SSN [redacted]
Address: [redacted]
Occupation: [redacted]
Prepared by: [redacted]

1972 Tax Return

[redacted]

1971 Tax Return

[redacted]

1970 Tax Return

[redacted]

JAN 28 1974

DCI			CIIC

OC-1-146

1969 Tax Return

[redacted]

1968 Tax Return

[redacted]

1967 Tax Return

[redacted]

1966 Tax Return

[redacted]

Note: [redacted]

RA:el

NEWSPAPER CLIPPING
DJ-DCI-43 (Rev. 6/73)

WISCONSIN DEPARTMENT OF JUSTICE
DIVISION OF CRIMINAL INVESTIGATION

Gallery Gazing: Shows in Review

THE creative drive of the artist is combined with the intellectual curiosity of the scientist in the acrylic paintings and pastels of Sue Bartfield, through Feb. 15 at the MGIC Plaza Art Gallery.

The artist, whose studio is located in the old Wisconsin Conservatory of Music building on N. Farwell Ave., is obsessed with the idea of achieving a system of "clean" paint colors that equal the purity and intensity of light itself.

In pursuit of her goal, she has become a student of color technology, ordering dried pigments from American and European sources and having them milled and compounded to her precise specifications.

The result of her efforts—as this, her first major exhibition, indicates—is a tonal range whose brilliancy, flexibility and controllability more than justify the pains she has taken to develop it.

At first glance her new pictures are likely to strike the viewer as pleasing but rather loosely organized, with cloudlike streams and banks of close valued, scintillant color that is at once assertive and nonncommittal.

Recalls the Past

Closer study—and a few minutes of conversation with the painter—reveals that these apparently shapeless abstractions are not only based on closely observed reality, but are craftily contrived to awaken in the observer a sense of deja vu.

Bartfield's secret weapons in this regard are two commonplace objects: a microscope and a prism.

The microscope, always at hand at the studio, permits her to study, at high magnification, the reactions of chemicals she has placed on a slide and dyed with chemicals. The prism helps her to observe the components of the spectrum, and to select her pigments accordingly.

Once she has come across a microscopic image that causes her to think of "a place I've been before," as she put it, she sets to work, using either an airbrush to apply acrylic based pigments to canvas, or a hand brush to apply milled pigments to paper by means of a fixative she developed herself.

Painting slowly ("You can't make a mistake") and allowing about 15 minutes drying time between sprayed layers, she builds on canvases as large as 70 by 87 inches the patterns which had their genesis beneath the lens a few hours before.

—Journal Photo

Sue Bartfield

The sum of all this calculation and hard work is a series of paintings which suggest their representational roots without ever being unimaginatively literal.

"Scorpio Arising" might be an insect's leg as seen through a microscope—or spiral nebulae seen through a telescope.

"Virgin of the Sea" might be a jelly like ocean creature—or an X-ray view of the subcutaneous veins and tendrils of a human arm.

"Gate of the Land of Night" evokes rosy cloud banks and sweeping atmospheric forms.

"A Rose of Sharon" is a delicate mesh of color that might be either emerging from, or vanishing into, the veils of distance and time.

And so it goes.

Supplementing her large acrylics and pastels are graphics, oils and bronzes by major names from the David Barnett Gallery, which is presenting the show at MGIC.

It all adds up to an exhibition which brings a touch of innovation and visual adventure to the local scene.

The MGIC gallery is open to the public Monday through Friday, during business hours.

J.A.

RECEIVED
FEB 26 1974

DCI			

COMMENTS:

DATE: February 3, 1974
PUBLICATION: The Milwaukee, Journal

	O.C.	V.A.	S.A.	D.D.	A.T.	F.M.
COORDINATION:	X					

SUBMITTING UNIT: Milwaukee D.C.I.
CIIC FILE NUMBER: 02-1-147

March 27, 1974

Sheriff Ralph Lamb
Las Vegas Metropolitan Police Department
400 East Stewart Avenue
Las Vegas, Nevada 89101

Attention: Gene Clark, Captain Commander, Intelligence Bureau

Re: J[redacted] B[redacted]

Dear Sir:

The subject of your inquiry had been checked through the Milwaukee Police Department and Wisconsin Department of Justice files. This subject listed his occupation in 1947 in the City of Milwaukee as a restaurant owner and a tavern supply businessman. He is a cousin to Frank Peter Balistrieri, DOB: [redacted], who lives in the City of Milwaukee. On March 11, 1967, the United States Senator John McClellan, during a Senate committee hearing, identified Frank P. Balistrieri as the head of the mafia in the State of Wisconsin.

The Wisconsin Department of Justice files had some references to a J[redacted] "[redacted]" B[redacted] of Kansas City, Missouri. We are not able to ascertain whether or not the J[redacted] B[redacted] as identified in your letter of inquiry is the same J[redacted] B[redacted] referred to in our files as "[redacted]." This office had contacted the Kansas City Police Department to check further and learned that your office had already sent a letter of inquiry directly to them. They advised that they were sending information to you.

If we can be of further assistance in this matter, please feel free to contact us. Be assured of our cooperation in matters of mutual concern.

Sincerely,

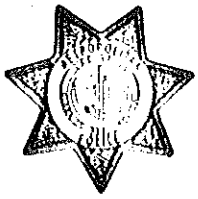
ALFRED F. SUHR
Acting Director
Organized Crime Bureau

HSE:sk

RECEIVED
APR 4 1974
RCI
CIRC.

00-1-148

RALPH LAMB, *Sheriff* JOHN T. MORAN, *Undersheriff*



Las Vegas Metropolitan Police Department

400 EAST STEWART AVENUE
LAS VEGAS, NEVADA 89101
PHONE 702/385-4711

REFERENCE

March 21, 1974

Frank A. Meyers, Director
Wisconsin State Department of Justice
Division of Criminal Investigation
123 West Washington Avenue
Madison, Wisconsin 53702

Attention: Organized Crime Program

RE: J[redacted] B[redacted]

Dear Sir:

This Department is presently conducting an investigation on the above captioned subject who has made application for a liquor license.

J[redacted] B[redacted] is described as our ID# 161587, white male adult, dob [redacted] in Sicily, Italy, 5'4", 220 lb., black hair, brown eyes, Naturalization number 6489360. Subject has been arrested by the Milwaukee Police Department, Milwaukee, Wisconsin, under their ID# 42570 on 11/11/43 for Investigation, Released 11/11/43, and on 5/2/47 for Keeper of Gambling House, Dismissed 5/23/47. This subject is presently the owner of a Greek-Italian Market located at 4813-50 Paradise Road, Las Vegas, Nevada called PEPPINA's DELI.

This Department requests any intelligence information showing connections with organized crime.

Assuring you of our cooperation at all times.

Sincerely yours,

RALPH LAMB, SHERIFF

JOHN T. MORAN,
UNDERSHERIFF

Reply to the Attention of:

Gene Clark, Captain
Commander, Intelligence Bureau

RL:JTM:GC:ES:lg

The State of Wisconsin

Department of Justice
Division of Criminal Investigation
Madison 53702

ROBERT W. WARREN
ATTORNEY GENERAL

DAVID C. MEBANE
DEPUTY ATTORNEY GENERAL

FRANK A. MEYERS
ADMINISTRATOR

June 20, 1974

James Goode, Chief
Orlando Police Department
P.O. Box 913
Orlando, Florida

In reply, please refer to:
OCR

Attn: Robert R. Short, Investigator
Intelligence Section
File: IU 74-14-8

Dear Sir:

The subject of your inquiry dated June 6, 1974, J[redacted] K[redacted], was born [redacted]; he has SSN [redacted], FBI #[redacted], and Milwaukee Police Department B of I #57344.

With the exception of infrequent visits, he has not been noticeably active in the Milwaukee area since June, 1958, when he received a four year Federal prison term as part of a nationwide car theft ring.

During the 1950's, K[redacted] operated taverns, theaters, restaurants, and a used car lot and developed reputations as a successful business man or a sharp "con artist", depending upon the nature of his dealings and the other persons involved.

He is known to have had business dealings with the late H[redacted] K[redacted], who once headed a multi-million dollar empire, including a loan business, real estate developments, and insurance investments. In 1957, K[redacted] was part of an extremely complicated real estate matter (a tavern) involving FRANK P. BALISTRIERI, head of the Milwaukee "family", STEVE DeSALVO, reputed to be BALISTRIERI'S number one lieutenant, and two persons long involved in buying and selling property of questionable origin, H[redacted] K[redacted] and A[redacted] C[redacted]. K[redacted] and a partner suddenly claimed ownership of fixtures in the tavern, and produced a chattel mortgage from H[redacted] K[redacted] to prove it.

RECEIVED
JUN 25 1974
DCI CIIC

OC-1-149

Since K[redacted]'S activities in this area predate the existence of our Division, we have no information on file showing a positive relationship between K[redacted] and FRANK BALISTRIERI. However, contact with veteran members of other law enforcement agencies produced the concensus that there was a relationship, probably close and business oriented, but no "hard" facts.

The most recent entry in our files relating to K[redacted] is dated March, 1971, and reflects the name of Mr. and Mrs. J[redacted] K[redacted] as having attended the funeral of JOSEPH BALISTRIERI, FRANK'S father, in Milwaukee. Since the register entry lacked middle initial and address, it is also possible this might have been the J[redacted] K[redacted] referred to later in this letter.

In February, 1973, Det. JOHN EVANS of the New Orleans Police Department, advised this office that J[redacted] K[redacted], owner of the CONGRESS INN near New Orleans, was overheard saying that "Number One from Milwaukee" and a judge had reservations at his place during Mardi Gras. K[redacted] referred to "Number One" also as FRANK and mentioned a last name starting with the letter B; thus, it was determined with reasonable certainty that he was speaking of FRANK BALISTRIERI. Neither BALISTRIERI nor the unidentified judge are known to have checked in at the CONGRESS INN.

J[redacted] K[redacted]'S arrest record at the Milwaukee Police Department (#57344) is as follows:

10-20-50	Burglary	Dismissed
(Involved 34 cases of stolen whiskey)		
12-2-50	Receiving stolen property	Dismissed
(Apparently related to above burglary charge)		
9-20-51	Disorderly	$50 fine
(Caught nude in theater with a woman)		
3-28-57	Operating restaurant w/o permit	Sentence suspended

In addition, K[redacted] has a lengthy juvenile record, including charges of burglary, larceny and operating auto without owner's consent.

The record of his 1958 Federal conviction shows his occupation as operator of the SCENIC LOUNGE, 730 N. 5th Street, Milwaukee. This place, since demolished, was notorious for patronage by prostitutes and gamblers. Previously the SCENIC was owned by A[redacted] L[redacted], a convicted bookie, now deceased. When questioned some years later concerning disposition of the SCENIC, L[redacted] claimed that H[redacted] K[redacted] "took it over and sold it". K[redacted] at that time owned an interest in many Milwaukee taverns, and it is possible that K[redacted] managed or fronted it for him.

This division has received several unconfirmed rumors indicating FRANK BALISTRIERI'S latest business ventures, but so far no documentation has been found. Although none of these reports link him with out of state motel investments, we would appreciate being advised if your investigation results in such information.

A photograph of FRANK P. BALISTRIERI with ID information on reverse side is enclosed.

Subscriber data on calls made to Milwaukee from K[redacted]'S phone, as requested by Det. WAGNER, is as follows:

[redacted] - J[redacted] K[redacted], [redacted], Milwaukee; born [redacted]; SSN [redacted]; self employed in statistical processing, with office at 161 W. Wisconsin Avenue, Milwaukee; no criminal record; negative in intelligence files of this Division; relationship to J[redacted] K[redacted] could not be immediately determined.

[redacted] - G[redacted] ([redacted]) K[redacted], [redacted], Milwaukee; born [redacted]; employed as factory worker at Evinrude Motors for 23 years; no criminal record; files at this Division show he is a known gambler and suspected runner; relationship to J[redacted] and J[redacted] K[redacted] not known at this time.

[redacted] - J[redacted] A[redacted], [redacted], Milwaukee; born [redacted]; SSN [redacted]; employed as janitor for Milwaukee Public Schools; no criminal record and not in files of this Division.

[redacted] - J[redacted] O[redacted], [redacted], Milwaukee; born [redacted]; licensed real estate broker; no criminal record; files of this Division show that in 1968 a vehicle listed to O[redacted] was observed during gambling stakeout.

HR

[redacted] - GIUSEPPE'S, a restaurant and bar at 5125 N. Teutonia Avenue, Milwaukee; cuisine is Italian but the proprietor is not; our Division files negative.

If your investigation develops additional leads relating to BALISTRIERI or other Milwaukee individuals, please do not hesitate to call on us for further assistance.

Sincerely,

HERBERT L. KRUSCHE
Director
Organized Crime Bureau

WAY:lfs

CASE ACTIVITY REPORT
DJ-DCI-2 (Rev. 4/74)

Wisconsin Department of Justice
DIVISION OF CRIMINAL INVESTIGATION

1. Case Number	2. Date	3. Case Title
OC-1	July 9, 1974	FRANK P. BALISTRIERI

4. Activity	5. Date of Activity
Informant Contact	July 3, 1974

6.

On Wednesday, July 3, 1974, OCI-31 telephonically contacted Special Agent ZAWORSKI and stated he had information relative to a J[redacted] S[redacted], D.O.B. [redacted], who is supposedly associating with FRANK BALISTRIERI. He described S[redacted] as 6'3", 230 lbs., black hair. S[redacted] was affiliated with members involved in organized crime in Chicago, Illinois. He was supposedly a muscleman and went by the nickname of "[redacted]" OCI-31 stated S[redacted] has abandoned his wife, P[redacted], who he has been married to since December of 1973. S[redacted] had supposedly been married twice before in the State of Illinois. His first wife's name was K[redacted], who he divorced in Cook County, Illinois, on March 10, 1969. His second wife's name was J[redacted], but P[redacted] has no idea when he married and divorced her.

OCI-31 stated he would like to get together with Special Agent ZAWORSKI relative to information regarding S[redacted] and his associates. Special Agent ZAWORSKI informed OCI-31 he would be able to meet with him the following week.

Special Agent ZAWORSKI telephonically contacted the Illinois Bureau of Investigation on July 3, 1974, and received the following arrest record on SCHLECHTER.

Illinois Bureau of Investigation number 790871.

Date	Arresting Agency	Charge	Disposition
5-10-61	Des Plaines, Illinois Police Dept.	Disorderly Conduct	$10.00 Juvenile
6-04-61	Niles, Illinois, Police Department	Assault With Deadly Weapon	1 year Youth Commission
12-30-70	Skokie, Illinois, Police Department	Burglary	1 year Ct. Supervision

On December 30, 1970, SCHLECHTER was arrested in company with T[redacted] L[redacted]. They were burglarizing an insurance agency office and were after office equipment. L[redacted] was out on bail for charges pending from his arrest in September of 1970. He had been arrested for hi-jacking $50,000.00 worth of cigarettes. In May of 1971, L[redacted] was sentenced to seven years in prison. L[redacted] was an associate of L[redacted], (deceased) who was a big time fence at that time. L[redacted] also associated with F[redacted] ([redacted] A[redacted]

RECEIVED

On July 8, 1974, OCI-31 telephonically contacted Special Agent ZAWORSKI

7. Agents

JUL 16 1974

Special Agent Joseph R. Zaworski

This document contains neither recommendations nor conclusions of the Division of Criminal Investigation, Wisconsin Department of Justice. It is the property of this Division and is loaned to your agency. Its contents are not to be distributed outside your agency.

DCI

OC-1-150

relative to additional information on S[redacted].

OCI-31 stated that S[redacted]'S wife had informed him (OCI-31) that besides BALISTRIERI, S[redacted] also associated with T[redacted] D[redacted], T[redacted] and JIMMY FAZIO, JOSEPH BASILE, who resides in Delafield, Wisconsin, but had worked at the HOLIDAY INN CENTRAL in Milwaukee, H[redacted] H[redacted], who resides somewhere on North 85th Street, and a W. D[redacted].

OCI-31 stated he would be out of town for a couple of days, but would attempt to meet with Special Agent ZAWORSKI at the end of the week and provide more information on S[redacted].

JRZ:ms

AD-75

DEPARTMENTAL CORRESPONDENCE

Date: August 1, 1974

To: File: OC-1

From: Herbert L. Krusche, Director
Organized Crime Bureau

Subject: L.C.N. Structure

Special Agent ROBERT WALCH and Special Agent JOHN DOUGLAS of the Milwaukee F.B.I. office gave the attached copy of a L.C.N. organization chart to Director KRUSCHE on August 1, 1974. The structure is supposed to be a reliable one and Director KRUSCHE suspects it was made up from information obtained as the result of F.B.I. wire taps on BALISTRIERI in 1963.

This information should not be shown to any other F.B.I. agent and should not be copied without Director KRUSCHE'S knowledge and permission.

HLKrusche

HLK:sk

RECEIVED

AUG 19 1974

DCI			CIIC

RESTRICTED INFORMATION
Not to be disseminated without approval of Supervisor

XC - Frank
3/13/80

Source gave the following breakdown of the Milwaukee LCN family:

Boss	FRANK BALISTRIERI
Underboss	JOE CAMINETTI III
Consiglieri	V[redacted] S[redacted]
Capos	PETER BALISTRIERI STEVE DE SALVO
Soldiers under PETER BALISTRIERI	J[redacted] D[redacted] H[redacted] D[redacted] B[redacted] D[redacted] S[redacted] M[redacted] (incarcerated Waupun) D[redacted] G[redacted]
Soldiers under STEVE DE SALVO	V[redacted] A[redacted] N[redacted] C[redacted] N[redacted] F[redacted] S[redacted] M[redacted] J[redacted] P[redacted] T[redacted] A[redacted] J[redacted] R[redacted] S[redacted] S[redacted] A[redacted] A[redacted]

Source stated that A[redacted] M[redacted], former soldier under STEVE DE SALVO, and J[redacted] G[redacted], former capo, have been ousted from the Milwaukee family.

Source advised that the following is a breakdown of the Madison LCN family:

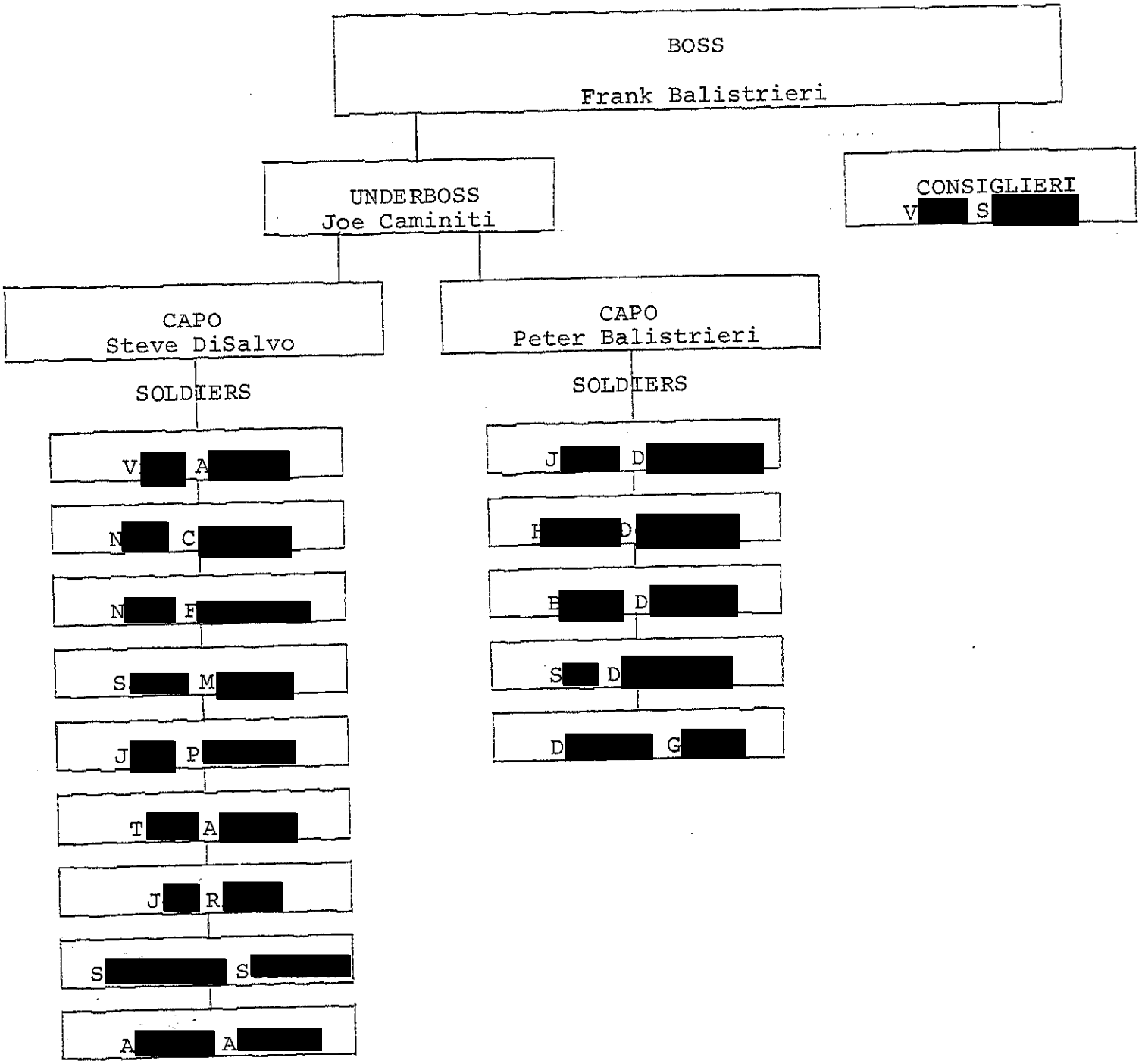
Boss C[redacted] C[redacted]

Source was not familiar with the exact breakdown of the Madison family; however, the following are members:

S[redacted] B[redacted] C[redacted] D[redacted]
F[redacted] C[redacted] M[redacted] E[redacted]
J[redacted] C[redacted] J[redacted] S[redacted]

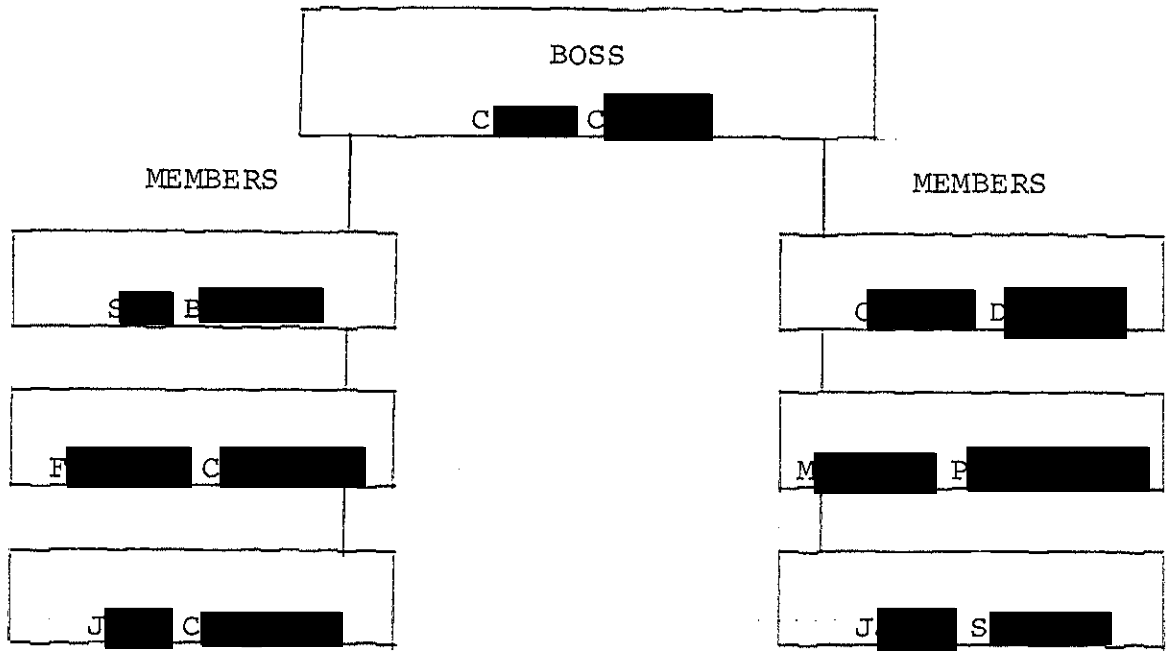
RECEIVED
AUG 19 1974
DCI CIIC

RESTRICTED INFORMATION
Not to be disseminated without approval of Supervisor



RESTRICTED INFORMATION
Not to be disseminated without approval of Supervisor

MILWAUKEE L.C.N. FAMILY



(Exact Breakdown Unknown)

MADISON L.C.N. FAMILY

RESTRICTED INFORMATION
Not to be disseminated without approval of Supervisor

ACTIVITY REPORT
DCI-2 (Rev. 4/74)

Wisconsin Department of Justice
DIVISION OF CRIMINAL INVESTIGATION

1. Case Number	2. Date	3. Case Title
[illegible]-536	8-20-74	John Doe - Milwaukee Prostitution

4. Activity	5. Date of Activity
Interview	August 19, 1974

On Monday, August 19, 1974, D[redacted] S[redacted] (ph), [redacted] [redacted], Milwaukee, Wisconsin, was interviewed by Assistant District Attorney THOMAS SCHNEIDER. Agent EGGUM was present during this interview. S[redacted] had been arrested by the Milwaukee Police for fraudulent use of credit cards and issue of worthless checks. Personnel from the Milwaukee Vice Squad directed S[redacted] to SCHNEIDER'S office because she had information on prostitution. S[redacted] stated subsequently as follows:

[redacted] stated that her boyfriend J[redacted] S[redacted], [redacted], a/k/a [redacted], or "[redacted]," introduced her to JAMES JENNARO at SALLY'S STEAK HOUSE. S[redacted] stated that JENNARO said that he makes extra money off of prostitutes at SALLY'S STEAK HOUSE.

[redacted] also said that her boyfriend, S[redacted], [redacted], would from time to time pick up money at Western Union. S[redacted] stated that after picking up the money, he will leave town. S[redacted] said that she has heard S[redacted] and JENNARO discuss contract killings.

[redacted] said that S[redacted] has told her that he is a "hit man." S[redacted] also told S[redacted] that he is upset because he has a contract for his son's godfather. S[redacted] stated that S[redacted] is getting a divorce from his wife.

[redacted] stated that S[redacted] could be reached at [redacted], his home and [redacted].

[redacted] stated that S[redacted] has instructed her to call Western Union and ask if money was there for J[redacted] L[redacted] on a number of occasions.

:kj

RECEIVED
AUG 23 1974
DCI CIIC

Agent J. Eggum

This document contains neither recommendations nor conclusions of the Division of Criminal Investigation, Wisconsin Department of Justice. It is the property of this Division and is loaned to your agency. Its contents are not to be distributed outside your agency.

ACTIVITY REPORT
[illegible]-2 (Rev. 4/74)

Wisconsin Department of Justice
DIVISION OF CRIMINAL INVESTIGATION

1. Case Number	2. Date	3. Case Title
VA-536	8-20-74	John Doe - Milwaukee Prostitution

4. Activity	5. Date of Activity
Investigation	August 20, 1974

6.

During an interview of D[redacted] S[redacted] (ph), W/F, D.O.B. unknown, [redacted], Milwaukee, Wisconsin, conducted by Assistant District Attorney THOMAS SCHNEIDER and the Milwaukee Vice Squad on Monday, August 19, 1974, at the Milwaukee John Doe, it was reported that J[redacted] S[redacted], a/k/a "[redacted]" is a "hit man." This information was reported by D[redacted] S[redacted], who stated that S[redacted] is her boyfriend.

The following information was obtained on S[redacted] by Agent EGGUM.

[redacted] stated that "[redacted]" could be contacted at [redacted], his home, or [redacted].

1. WISCONSIN TELEPHONE Security listed:

[redacted] to [redacted]
Milwaukee, Wisconsin

[redacted] to LIGHT CONSTRUCTION CO.
11340 West Brown Deer Road

2. In a report dated July 9, 1974, Case number OC-1, written by Special Agent ZAWORSKI, there is reference to a J[redacted] S[redacted], W/M, D.O.B. [redacted]. According to this report S[redacted] is a muscleman who is supposedly associating with FRANK BALISTRIERI. S[redacted] is also referred to as "[redacted]" in this report.

3. [redacted] stated that S[redacted] also goes by the name of J[redacted] I[redacted] Agent EGGUM located no files in the Milwaukee Office on L[redacted].

GE:kj

[illegible]

[illegible] Eggum

[illegible] contains neither recommendations nor conclusions of the Division of Criminal Investigation, Wisconsin Department [illegible] is the property of this Division and is loaned to your agency. Its contents are not to be distributed outside you[illegible]

ACTIVITY REPORT
(Rev. 4/74)

Wisconsin Department of Justice
DIVISION OF CRIMINAL INVESTIGATION

1. Case Number	2. Date	3. Case Title
[illegible]-536	8-20-74	John Doe - Milwaukee Prostitution

4. Activity	5. Date of Activity
Interview	August 19, 1974

On Monday, August 19, 1974, D[redacted] S[redacted] (ph), [redacted], Milwaukee, Wisconsin, was interviewed by Assistant District Attorney THOMAS SCHNEIDER. Agent EGGUM was present during this interview. S[redacted] had been arrested by the Milwaukee Police for fraudulent use of credit cards and issue of worthless checks. Personnel from the Milwaukee Vice Squad directed S[redacted] to SCHNEIDER'S office because she had information on prostitution. S[redacted] stated subsequently as follows:

[redacted] stated that her boyfriend J[redacted] S[redacted], [redacted], a/k/a [redacted] L[redacted], or "[redacted] J[redacted]," introduced her to JAMES JENNARO at SALLY'S STEAK HOUSE. S[redacted] stated that JENNARO said that he makes extra money off of prostitutes at SALLY'S STEAK HOUSE.

[redacted] also said that her boyfriend, S[redacted], [redacted], would from time to time pick up money at Western Union. S[redacted] stated that after picking up the money, he will leave town. S[redacted] said that she has heard S[redacted] and JENNARO discuss contract killings.

[redacted] said that S[redacted] has told her that he is a "hit man." S[redacted] also told S[redacted] that he is upset because he has a contract for his son's godfather. S[redacted] stated that S[redacted] is getting a divorce from his wife.

[redacted] stated that S[redacted] could be reached at [redacted], Oroma and [redacted].

[redacted] stated that S[redacted] has instructed her to call Western Union and ask if money was there for J[redacted] L[redacted] on a number of occasions.

:kj

RECEIVED
AUG 23 1974
DCI CIIC

Agent J. Eggum

This report contains neither recommendations nor conclusions of the Division of Criminal Investigation, Wisconsin Department of Justice. It is the property of this Division and is loaned to your agency. Its contents are not to be distributed outside your agency.

OC-1-153

TAX ACTIVITY REPORT
[illegible]-2 (Rev. 4/74)

Wisconsin Department of Justice

DIVISION OF CRIMINAL INVESTIGATION

1. Case Number	2. Date	3. Case Title
VA-536	8-20-74	John Doe - Milwaukee Prostitution

4. Activity	5. Date of Activity
Investigation	August 20, 1974

3.

During an interview of D[redacted] S[redacted] (ph), W/F, D.O.B. unknown, [redacted], Milwaukee, Wisconsin, conducted by Assistant District Attorney THOMAS SCHNEIDER and the Milwaukee Vice Squad on Monday, August 19, 1974, at the Milwaukee John Doe, it was reported that J[redacted] S[redacted], a/k/a "[redacted]" is a "hit man." This information was reported by D[redacted] S[redacted], who stated that S[redacted] is her boyfriend.

The following information was obtained on S[redacted] by Agent EGGUM.

S[redacted] stated that "[redacted]" could be contacted at [redacted], his home, or [redacted].

1. WISCONSIN TELEPHONE Security listed:

[redacted] to E[redacted] S[redacted]
[redacted]
Milwaukee, Wisconsin

[redacted] to LIGHT CONSTRUCTION CO.
11340 West Brown Deer Road

2. In a report dated July 9, 1974, Case number OC-1, written by Special Agent ZAWORSKI, there is reference to a J[redacted] S[redacted], W/M, D.O.B. [redacted]. According to this report S[redacted] is a muscleman who is supposedly associating with FRANK BALISTRIERI. S[redacted] is also referred to as "BLACK JACK" in this report.

3. D[redacted] S[redacted] stated that S[redacted] also goes by the name of J[redacted] L[redacted] Agent EGGUM located no files in the Milwaukee Office on L[redacted].

OE:kj

[illegible]

[illegible]ory Eggum

[illegible]ment contains neither recommendations nor conclusions of the Division of Criminal Investigation, Wisconsin Department [illegible] is the property of this Division and is loaned to your agency. Its contents are not to be distributed outside you

OC-1

DEPARTMENTAL CORRESPONDENCE

Date: August 6, 1974

To: SA-R

From: Ernest V. Smith
Special Agent

Subject: LEIU Information Request - Arizona DPS

On August 5, 1974, Director Russell J. Nelson received a call from Sergeant Larry Capp, Arizona Department of Public Safety, Tucson, Arizona, [redacted], requesting any information available on [redacted] C[redacted], DOB [redacted] President of Wheels of Wisconsin, [redacted] Milwaukee. C[redacted] had been observed in the Tucson area for quite some time and is listed as being affiliated with AAA Home Remodeling and Carefree Kitchens, both businesses with suspected organizational connections.

Sergeant Capp was specifically requesting any information linking C[redacted] with underworld figures in Wisconsin. On August 6, 1974, Special Agent Smith reviewed several CIIC files pertinent to C[redacted] and Wheels of Wisconsin. The following information was extracted and telephonically passed on to Capp.

There were several references to FRANK BALISTRIERI observed driving cars registered to Wheels of Wisconsin. The files further indicate that JAMES JENNERO, front man for BALISTRIERI at the Ad Lib Nightclub and secretary of Commercial Sales Corporation, reputed to be a front for a bookkeeping operation controlled by BALISTRIERI, is a brother-in-law of C[redacted]'S and was also observed driving vehicles registered to Wheels of Wisconsin. JOE ENEA, another front man for BALISTRIERI at the Ad Lib, was also observed driving autos registered to Wheels of Wisconsin.

FRANK RANNEY, spokesman for the Teamsters Union in Milwaukee, is also a brother-in-law of C[redacted]'S, according to the files.

Sergeant Capp was appreciative of the information and stated that he would send to DCI current reports on C[redacted] for our files, should he return to Wisconsin.

file in OCI file
cc to OCR file
[illegible] in mtlw files or marked in Red.
JR.

CASE ACTIVITY REPORT
DJ-DCI-2 (Rev. 4/74)

Wisconsin Department of Justice
DIVISION OF CRIMINAL INVESTIGATION

1. Case Number	2. Date	3. Case Title
OC-1	5-07-75	FRANK P. BALISTRIERI

4. Activity	5. Date of Activity
Surveillance	May 3 and 4, 1975

6.

On May 2, 1975, Director HERBERT L. KRUSCHE telephonically received information from Milwaukee County Circuit Court Judge JOHN L. COFFEY, who heard on May 1, 1975, from a source that on May 3, 1975, at the CENTRE STAGE DINNER PLAYHOUSE, 624 North 2nd Street, Milwaukee, FRANK P. BALISTRIERI reportedly would be entertaining some high public officials. Director KRUSCHE assigned Special Agents ALFRED F. SUHR and HAROLD S. ENGELBART to surveil this activity at the CENTRE STAGE DINNER PLAYHOUSE on May 3, 1975, and the following is a summary of events that evening:

8:45 p.m. Special Agents Suhr and Engelbart, accompanied by their wives, met at the Milwaukee State Office Building and proceeded in Special Agent SUHR'S car to the area of the CENTRE STAGE. A drive through the immediate area of the CENTRE STAGE revealed no familiar vehicles and/or individuals.

9:00 p.m. Special Agents SUHR and ENGELBART, accompanied by their wives, entered the CENTRE STAGE DINNER PLAYHOUSE and took seats at the north end of the main bar. RUDY PORCHETTA and JOSEPH MANIACI were the bartenders on duty. Milwaukee County Circuit Court Judge CHRIST T. SERAPHIM was seated at the south end of the bar and was conversing with persons not recognized by either of the agents. The agents then ordered drinks for themselves and their wives.

9:15 p.m. Special Agent SUHR got up from his seat at the bar and went around to the end of the bar where Special Agent ENGELBART was seated to converse with him. As Special Agent SUHR did this, a white male, wearing steel rimmed glasses, approximately 45 to 50 years of age, seated midway at the bar between the agents and Judge SERAPHIM, nudged a younger white female seated next to him and both this unidentified male and female looked in the agent's direction. The actions of this unidentified white male and his female companion were observed by Special Agent SUHR'S and ENGELBART'S wives. After a couple of minutes, this white male went over to where Judge SERAPHIM was seated and conversed with Judge SERAPHIM.

9:45 p.m. The dining area was opened and attendees proceeded into the dining area. Special Agents SUHR and ENGELBART waited until Judge SERAPHIM and the party he was with entered the dining area, and then the agents and their wives also

7. Agents

Alfred F. Suhr

RECEIVED MAY 23 1975

Special Agents Alfred F. Suhr and Harold S. Engelbart

This document contains neither recommendations nor conclusions of the Division of Criminal Investigation, Wisconsin Department of Justice. It is the property of this Division and is loaned to your agency. Its contents are not to be distributed outside your agency.

State of Delaware

Office of Secretary of State

I, **Walton H. Simpson**, *Secretary of State of the State of Delaware,* **do hereby certify** *that the above and foregoing is a true and correct copy of* Certificate of Incorporation of the "MILWAUKEE RENTALS, INC.", as received and filed in this office the ninth day of February, A.D. 1968, at 9 o'clock A.M.

In Testimony Whereof, *I have hereunto set my hand and official seal at Dover this* ninth *day of* January *in the year of our Lord one thousand nine hundred and* seventy-three.

Walton H Simpson

Secretary of State

R N Caldwell

Asst. Secretary of State

CERTIFICATE OF INCORPORATION

OF

MILWAUKEE RENTALS, INC.

The undersigned, a natural person, for the purpose of organizing a corporation for conducting the business and promoting the purposes hereinafter stated, under the provisions and subject to the requirements of the laws of the State of Delaware (particularly Chapter 1, Title 8 of the Delaware Code and the acts amendatory thereof and supplemental thereto, and known, identified and referred to as the "General Corporation Law of the State of Delaware"), hereby certifies that:

FIRST: The name of the corporation (hereinafter called the "corporation") is

MILWAUKEE RENTALS, INC.

SECOND: The address, including street, number, city, and county, of the registered office of the corporation in the State of Delaware is [redacted] City of Dover, County of Kent; and the name of the registered agent of the corporation in the State of Delaware at such address is The Prentice-Hall Corporation System, Inc.

THIRD: The nature of the business and of the purposes to be conducted and promoted by the corporation, which shall be in addition to the authority of the corporation to conduct any lawful business, to promote any lawful purpose, and to engage in any lawful act or activity for which corporations may be organized under the General Corporation Law of the State of Delaware, is as follows:

> To own, operate, and conduct a general automobile and motor vehicle rental business in all its branches; to rent, license the use of, as licensor and licensee, lease, as lessor and lessee, mortgage as mortgagor and mortgagee, buy, sell, import, export, display, acquire, receive, assign, transfer, and grant franchises, options, and rights in respect of, service, repair, maintain and generally keep in operating condition, act as insurance brokers and agents in connection with, and generally deal in and with, in

any lawful capacity, any and all kinds of motor vehicles, and, in connection therewith and independent thereof, to own, operate, buy, sell, mortgage, maintain, manage, lease, as lessor or lessee, license the use of, as licensor or licensee, and generally deal in and with, in any lawful capacity, any and all kinds of fuels, lubricants, equipment, supplies, accessories, parking areas, garages, sites, mobile, portable, and stationary establishments for selling, supplying and rendering services on motor vehicles, and for selling and dealing in goods, wares, and merchandise capable of use in or about motor vehicles, and to do everything necessary, useful, and convenient in furtherance of the objects of the corporation, including the furnishing of services of skilled and unskilled personnel.

To purchase, receive, take by grant, gift, devise, bequest or otherwise, lease, or otherwise acquire, own, hold, improve, employ, use and otherwise deal in and with real or personal property, or any interest therein, wherever situated, and to sell, convey, lease, exchange, transfer or otherwise dispose of, or mortgage or pledge, all or any of its property and assets, or any interest therein, wherever situated.

To engage generally in the real estate business as principal, agent, broker, and in any lawful capacity, and generally to take, lease, purchase, or otherwise acquire, and to own, use, hold, sell, convey, exchange, lease, mortgage, work, clear, improve, develop, divide, and otherwise handle, manage, operate, deal in and dispose of real estate, real property, lands, multiple-dwelling structures, houses, buildings and other works and any interest or right therein; to take, lease, purchase or otherwise acquire, and to own, use, hold, sell, convey, exchange, hire, lease, pledge, mortgage, and otherwise handle, and deal in and dispose of, as principal, agent, broker, and in any lawful capacity, such personal property, chattels, chattels real, rights, easements, privileges, choses in action, notes, bonds, mortgages, and securities as may lawfully be acquired, held, or disposed of; and

to acquire, purchase, sell, assign, transfer, dispose of, and generally deal in and with, as principal, agent, broker, and in any lawful capacity, mortgages and other interests in real, personal, and mixed properties; to carry on a general construction, contracting, building, and realty management business as principal, agent, representative, contractor, subcontractor, and in any other lawful capacity.

To carry on a general mercantile, industrial, investing, and trading business in all its branches; to devise, invent, manufacture, fabricate, assemble, install, service, maintain, alter, buy, sell, import, export, license as licensor or licensee, lease as lessor or lessee, distribute, job, enter into, negotiate, execute, acquire, and assign contracts in respect of, acquire, receive, grant, and assign licensing arrangements, options, franchises, and other rights in respect of, and generally deal in and with, at wholesale and retail, as principal, and as sales, business, special, or general agent, representative, broker, factor, merchant, distributor, jobber, advisor, and in any other lawful capacity, goods, wares, merchandise, commodities, and unimproved, improved, finished, processed, and other real, personal, and mixed property of any and all kinds, together with the components, resultants, and by-products thereof.

To apply for, register, obtain, purchase, lease, take licenses in respect of or otherwise acquire, and to hold, own, use, operate, develop, enjoy, turn to account, grant licenses and immunities in respect of, manufacture under and to introduce, sell, assign, mortgage, pledge or otherwise dispose of, and, in any manner deal with and contract with reference to:

(a) inventions, devices, formulae, processes and any improvements and modifications thereof;

(b) letters patent, patent rights, patented processes, copyrights, designs, and similar rights, trade-marks, trade names, trade symbols and other indica-

tions of origin and ownership granted by or recognized under the laws of the United States of America, the District of Columbia, any state or subdivision thereof, and any commonwealth, territory, possession, dependency, colony, possession, agency or instrumentality of the United States of America and of any foreign country, and all rights connected therewith or appertaining thereunto;

(c) franchises, licenses, grants and concessions.

To guarantee, purchase, take, receive, subscribe for, and otherwise acquire, own, hold, use, and otherwise employ, sell, lease, exchange, transfer, and otherwise dispose of, mortgage, lend, pledge, and otherwise deal in and with, securities (which term, for the purpose of this Article THIRD, includes, without limitation of the generality thereof, any shares of stock, bonds, debentures, notes, mortgages, other obligations, and any certificates, receipts or other instruments representing rights to receive, purchase or subscribe for the same, or representing any other rights or interests therein or in any property or assets) of any persons, domestic and foreign firms, associations, and corporations, and by any government or agency or instrumentality thereof; to make payment therefor in any lawful manner; and, while owner of any such securities, to exercise any and all rights, powers and privileges in respect thereof, including the right to vote.

To make, enter into, perform and carry out contracts of every kind and description with any person, firm, association, corporation or government or agency or instrumentality thereof.

To acquire by purchase, exchange or otherwise, all, or any part of, or any interest in, the properties, assets, business and good will of any one or more persons, firms, associations or corporations heretofore or hereafter engaged

in any business for which a corporation may now or hereafter be organized under the laws of the State of Delaware; to pay for the same in cash, property or its own or other securities; to hold, operate, reorganize, liquidate, sell or in any manner dispose of the whole or any part thereof; and in connection therewith, to assume or guarantee performance of any liabilities, obligations or contracts of such persons, firms, associations or corporations, and to conduct the whole or any part of any business thus acquired.

To lend money in furtherance of its corporate purposes and to invest and reinvest its funds from time to time to such extent, to such persons, firms, associations, corporations, governments or agencies or instrumentalities thereof, and on such terms and on such security, if any, as the Board of Directors of the corporation may determine.

To make contracts of guaranty and suretyship of all kinds and endorse or guarantee the payment of principal, interest or dividends upon, and to guarantee the performance of sinking fund or other obligations of, any securities, and to guarantee in any way permitted by law the performance of any of the contracts or other undertakings in which the corporation may otherwise be or become interested, of any persons, firm, association, corporation, government or agency or instrumentality thereof, or of any other combination, organization or entity whatsoever.

To borrow money without limit as to amount and at such rates of interest as it may determine; from time to time to issue and sell its own securities, including its shares of stock, notes, bonds, debentures, and other obligations, in such amounts, on such terms and conditions, for such purposes and for such prices, now or hereafter permitted by the laws of the State of Delaware and by this certificate of incorporation, as the Board of Directors of the corporation may determine; and to secure any of its obligations by mortgage, pledge or other encumbrance of all or any of its property, franchises and income.

To be a promoter or manager of other corporations of any type or kind; and to participate with others in any corporation, partnership, limited partnership, joint venture, or other association of any kind, or in any transaction, undertaking or arrangement which the corporation would have power to conduct by itself, whether or not such participation involves sharing or delegation of control with or to others.

To draw, make, accept, endorse, discount, execute, and issue promissory notes, drafts, bills of exchange, warrants, bonds, debentures, and other negotiable or transferable instruments and evidences of indebtedness whether secured by mortgage or otherwise, as well as to secure the same by mortgage or otherwise, so far as may be permitted by the laws of the State of Delaware.

To purchase, receive, take, reaquire or otherwise acquire, own and hold, sell, lend, exchange, reissue, transfer or otherwise dispose of, pledge, use, cancel, and otherwise deal in and with its own shares and its other securities from time to time to such an extent and in such manner and upon such terms as the Board of Directors of the corporation shall determine; provided that the corporation shall not use its funds or property for the purchase of its own shares of capital stock when its capital is impaired or when such use would cause any impairment of its capital, except to the extent permitted by law.

To organize, as an incorporator, or cause to be organized under the laws of the State of Delaware, or of any other State of the United States of America, or of the District of Columbia, or of any commonwealth, territory, dependency, colony, possession, agency, or instrumentality of the United States of America, or of any foreign country, a corporation or corporations for the purpose of conducting and promoting any business or purpose for which corporations may be organized, and to dissolve, wind up, liquidate, merge or consolidate any such corporation or corporations or to cause the same to be dissolved, wound up, liquidated, merged or consolidated.

To conduct its business, promote its purposes, and carry on its operations in any and all of its branches and maintain offices both within and without the State of Delaware, in any and all States of the United States of America, in the District of Columbia, and in any or all commonwealths, territories, dependencies, colonies, possessions, agencies, or instrumentalities of the United States of America and of foreign governments.

To promote and exercise all or any part of the foregoing purposes and powers in any and all parts of the world, and to conduct its business in all or any of its branches as principal, agent, broker, factor, contractor, and in any other lawful capacity either alone or through or in conjunction with any corporations, associations, partnerships, firms, trustees, syndicates, individuals, organizations, and other entities in any part of the world, and, in conducting its business and promoting any of its purposes, to maintain offices, branches and agencies in any part of the world, to make and perform any contracts and to do any acts and things, and to carry on any business, and to exercise any powers and privileges suitable, convenient, or proper for the conduct, promotion, and attainment of any of the business and purposes herein specified or which at any time may be incidental thereto or may appear conducive to or expedient for the accomplishment of any of such business and purposes and which might be engaged in or carried on by a corporation incorporated or organized under the General Corporation Law of the State of Delaware, and to have and exercise all of the powers conferred by the laws of the State of Delaware upon corporations incorporated or organized under the General Corporation Law of the State of Delaware.

The foregoing provisions of this Article THIRD shall be construed both as purposes and powers and each as an independent purpose and power. The foregoing enumeration of specific purposes and powers shall not be held to limit or restrict in any manner the purposes and powers of the corporation, and the purposes and powers herein specified shall, except when otherwise provided in this Article THIRD, be in no wise limited or restricted by reference to, or inference from, the terms of

any provision of this or any other Article of this certificate of incorporation; provided, that the corporation shall not conduct any business, promote any purpose, or exercise any power or privilege within or without the State of Delaware which, under the laws thereof, the corporation may not lawfully conduct, promote, or exercise.

FOURTH: The total number of shares of stock which the corporation shall have authority to issue is One Thousand Two Hundred (1,200), consisting of One Thousand (1,000) shares of Class A Common Stock, all without nominal or par value and Two Hundred (200) shares of Class B Common Stock, all without nominal or par value.

The designations, preferences, privileges and voting powers of the shares of each class and the restrictions or qualifications thereof are as follows:

The holders of the Class A Common Stock and the holders of the Class B Common Stock shall be entitled to the same rights and privileges, and shall share equally, share and share alike, in the distribution of any funds which the Board of Directors may declare or set aside or pay out as dividends, and shall share equally, share and share alike, in the distribution of all assets of the corporation after the payment of its debts or liabilities in the event of any liquidation, dissolution or winding up of the corporation, and shall be alike in all other respects provided, however, except as may be otherwise required by law, the entire voting power shall be vested in the holders of the Class A Common Stock, and the holders of the Class B Common Stock shall have no voting power, and shall not have the right to participate in any meeting of stockholders or to have notice thereof.

Each share of stock of the corporation shall entitle the holder thereof to a pre-emptive right, for a period of thirty days, to subscribe for, purchase, or otherwise acquire any shares of stock of the same class of the corporation or any equity and/or voting shares of stock of any class of the corporation which the corporation proposes to issue or any rights or options which the corporation proposes to grant for the purchase of shares of stock of the same class of the corporation or of equity and/or voting shares of any class of stock of the corporation or for the purchase of any shares of stock, bonds, securities, or obligations of the corporation which are convertible into or exchangeable for, or which carry any rights, to subscribe for, purchase, or otherwise acquire shares of stock of the same class of the corporation or equity

and/or voting shares of stock of any class of the corporation, whether now or hereafter authorized or created, whether having unissued or treasury status, and whether the proposed issue, reissue, transfer, or grant is for cash, property, or any other lawful consideration; and after the expiration of said thirty days, any and all of such shares of stock, rights, options, bonds, securities or obligations of the corporation may be issued, reissued, transferred, or granted by the Board of Directors, as the case may be, to such persons, firms, corporations and associations, and for such lawful consideration, and on such terms, as the Board of Directors in its discretion may determine. As used herein, the terms "equity shares" and "voting shares" shall mean, respectively, shares of stock which confer unlimited dividend rights and shares of stock which confer unlimited voting rights in the election of one or more directors.

At all stockholders' meetings at which directors of this corporation are to be elected, each stockholder entitled to vote shall have as many votes as shall equal the number of shares of voting stock owned by him, multiplied by the number of directors to be elected, and he may cast all of such votes for a single director or may distribute them among the number to be voted for, or any two or more of them as he may see fit.

FIFTH: The name and the mailing address of the incorporator are as follows:

NAME	MAILING ADDRESS
R. G. D[redacted]	[redacted] Dover, Delaware

SIXTH: The corporation is to have perpetual existence.

SEVENTH: Whenever a compromise or arrangement is proposed between this corporation and its creditors or any class of them and/or between this corporation and its stockholders or any class of them, any court of equitable jurisdiction within the State of Delaware may, on the application in a summary way of this corporation or of any creditor or stockholder thereof or on the application of any receiver or receivers appointed for this corporation under the provisions of section 291 of Title 8 of the Delaware Code or on the application of trustees in dissolution or of any receiver or receivers appointed for this corporation under the provisions of section 279 of Title 8 of the Delaware Code order a meeting of the creditors or class of creditors, and/or of the

stockholders or class of stockholders of this corporation, as the case may be, to be summoned in such manner as the said court directs. If a majority in number representing three-fourths in value of the creditors or class of creditors, and/or of the stockholders or class of stockholders of this corporation, as the case may be, agree to any compromise or arrangement and to any reorganization of this corporation as consequence of such compromise or arrangement, the said compromise or arrangement and the said reorganization shall, if sanctioned by the court to which the said application has been made, be binding on all the creditors or class of creditors, and/or on all the stockholders or class of stockholders, of this corporation, as the case may be, and also on this corporation.

EIGHTH: For the management of the business and for the conduct of the affairs of the corporation, and in further definition, limitation and regulation of the powers of the corporation and of its directors and of its stockholders or any class thereof, as the case may be, it is further provided:

1. The management of the business and the conduct of the affairs of the corporation, including the election of the Chairman of the Board of Directors, if any, the President, the Treasurer, the Secretary, and other principal officers of the corporation, shall be vested in its Board of Directors. The number of directors which shall constitute the whole Board of Directors shall be fixed by, or in the manner provided in, the By-Laws. The phrase "whole Board" and the phrase "total number of directors" shall be deemed to have the same meaning, to wit, the total number of directors which the corporation would have if there were no vacancies. No election of directors need be by written ballot.

2. The original By-Laws of the corporation shall be adopted by the incorporator unless the certificate of incorporation shall name the initial Board of Directors therein. Thereafter, the power to make, alter, or repeal the By-Laws, and to adopt any new By-Law, except a By-Law classifying directors for election for staggered terms, shall be vested in the Board of Directors.

3. Whenever the corporation shall be authorized to issue only one class of stock, each

outstanding share shall entitle the holder thereof to notice of, and the right to vote at, any meeting of stockholders. Whenever the corporation shall be authorized to issue more than one class of stock, no outstanding share of any class of stock which is denied voting power under the provisions of the certificate of incorporation shall entitle the holder thereof to notice of, and the right to vote, at any meeting of stockholders except as the provisions of paragraph (d)(2) of section 242 of the General Corporation Law and of sections 251, 252, and 253 of the General Corporation Law shall otherwise require; provided, that no share of any such class which is otherwise denied voting power shall entitle the holder thereof to vote upon the increase or decrease in the number of authorized shares of said class.

4. In lieu of taking any permissive or requisite action by vote at a meeting of stockholders, any such vote and any such meeting may be dispensed with if either all of the stockholders entitled to vote upon the action at any such meeting shall consent in writing to any such corporate action being taken or if less than all of the stockholders entitled to vote upon the action at any such meeting shall consent in writing to any such corporate action being taken; provided, that any such action taken upon less than the unanimous written consent of all stockholders entitled to vote upon any such action shall be by the written consent of the stockholders holding at least the minimum percentage of the votes required to be cast to authorize any such action under the provisions of the General Corporation Law or under the provisions of the certificate of incorporation or the By-Laws as permitted by the provisions of the General Corporation Law; and, provided, that prompt notice be given to all stockholders entitled to vote on any such action of the taking of such action without a meeting and by less than unanimous written consent.

NINTH: No contract or transaction between the corporation and one or more of its directors or officers, or be-

tween the corporation and any other corporation, partnership, association, or other organization in which one or more of its directors or officers are directors or officers, or have a financial interest, shall be void or voidable solely for this reason, or solely because the director or officer is present at or participates in the meeting of the Board of Directors or a committee thereof which authorizes the contract or transaction, or solely because his or their votes are counted for such purpose, if:

(1) The material facts as to his interest and as to the contract or transaction are disclosed or are known to the Board of Directors or the committee, and the Board or Committee in good faith authorizes the contract or transaction by a vote sufficient for such purpose without counting the vote of the interested director or directors; or

(2) The material facts as to his interest and as to the contract or transaction are disclosed or are known to the stockholders entitled to vote thereon, and the contract or transaction is specifically approved in good faith by vote of the stockholders; or

(3) The contract or transaction is fair as to the corporation as of the time it is authorized, approved or ratified, by the Board of Directors, a committee thereof, or the stockholders.

(4) Common or interested directors may be counted in determining the presence of a quorum at a meeting of the Board of Directors or of a committee which authorizes the contract or transaction.

TENTH: (a) The corporation shall have power to indemnify any person who was or is a party or is threatened to be made a party to any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative (other than an action by or in the right of the corporation) by reason of the fact that he is or was a director, officer, employee or agent of the corporation, or is or was serving at the request of the corporation as a director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise, against expenses (including attorneys' fees), judgments, fines and amounts paid in settlement actually and reasonably incurred by him in connection with such action, suit or proceeding if he acted in good faith and in a manner he reasonably be-

lieved to be in or not opposed to the best interests of the corporation, and, with respect to any criminal action or proceeding, had no reasonable cause to believe his conduct was unlawful. The termination of any action, suit or proceeding by judgment, order, settlement, conviction, or upon a plea of nolo contendere or its equivalent, shall not, of itself, create a presumption that the person did not act in good faith and in a manner which he reasonably believed to be in or not opposed to the best interests of the corporation, and, with respect to any criminal action or proceeding, had reasonable cause to believe that his conduct was unlawful.

(b) The corporation shall have power to indemnify any person who was or is a party or is threatened to be made a party to any threatened, pending or completed action or suit by or in the right of the corporation to procure a judgment in its favor by reason of the fact that he is or was a director, officer, employee or agent of the corporation, or is or was serving at the request of the corporation as a director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise against expenses (including attorneys' fees) actually and reasonably incurred by him in connection with the defense or settlement of such action or suit if he acted in good faith and in a manner he reasonably believed to be in or not opposed to the best interests of the corporation and except that no indemnification shall be made in respect of any claim, issue or matter as to which such person shall have been adjudged to be liable for negligence or misconduct in the performance of his duty to the corporation unless and only to the extent that the Court of Chancery or the court in which such action or suit was brought shall determine upon application that, despite the adjudication of liability but in view of all the circumstances of the case, such person is fairly and reasonably entitled to indemnity for such expenses which the Court of Chancery or such other court shall deem proper.

(c) To the extent that a director, officer, employee or agent of the corporation has been successful on the merits or otherwise in defense of any action, suit or proceeding referred to in paragraphs (a) and (b), or in defense of any claim, issue or matter therein, he shall be indemnified against expenses (including attorneys' fees) actually and reasonably incurred by him in connection therewith.

(d) Any indemnification under paragraphs (a) and (b) (unless ordered by a court) shall be made by the corporation only as authorized in the specific case upon a determina-

tion that indemnification of the director, officer, employee or agent is proper in the circumstances because he has met the applicable standard of conduct set forth in paragraphs (a) and (b). Such determination shall be made (1) by the Board of Directors by a majority vote of a quorum consisting of directors who were not parties to such action, suit or proceeding, or (2) if such a quorum is not obtainable, or, even if obtainable a quorum of disinterested directors so directs, by independent legal counsel in a written opinion, or (3) by the stockholders.

(e) Expenses incurred in defending a civil or criminal action, suit or proceeding may be paid by the corporation in advance of the final disposition of such action, suit or proceeding as authorized by the Board of Directors in the manner provided in paragraph (d) upon receipt of an undertaking by or on behalf of the director, officer, employee or agent to repay such amount unless it shall ultimately be determined that he is entitled to be indemnified by the corporation as authorized in this Article.

(f) The indemnification provided by this Article shall not be deemed exclusive of any other rights to which those indemnified may be entitled under any by-law, agreement, vote of stockholders or disinterested directors or otherwise, both as to action in his official capacity and as to action in another capacity while holding such office, and shall continue as to a person who has ceased to be a director, officer, employee or agent and shall inure to the benefit of the heirs, executors and administrators of such a person.

(g) The corporation shall have power to purchase and maintain insurance on behalf of any person who is or was a director, officer, employee or agent of the corporation, or is or was serving at the request of the corporation as a director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise against any liability asserted against him and incurred by him in any such capacity, or arising out of his status as such, whether or not the corporation would have the power to indemnify him against such liability under the provisions of this Article.

ELEVENTH: From time to time any of the provisions of this certificate of incorporation may be amended, altered or repealed, and other provisions authorized by the laws of the State of Delaware at the time in force may be added or inserted in the manner and at the time prescribed by said laws, and

all rights at any time conferred upon the stockholders of the corporation by this certificate of incorporation are granted subject to the provisions of this Article ELEVENTH.

Signed at Dover, Delaware, on February 9, 1968.

R. G. Dickerson
Incorporator

STATE OF DELAWARE }
COUNTY OF KENT } SS.:

BE IT REMEMBERED that personally appeared before me, the undersigned, a Notary Public duly authorized to take acknowledgment of deeds by the laws of the place where the foregoing certificate of incorporation was signed, R. G. Dickerson, the incorporator who signed the foregoing certificate of incorporation, known to me personally to be such, and who acknowledged the same to be his act and deed, and that the facts therein stated are true.

GIVEN under my hand on February 9, 1968.

Nancy S. Truax
Notary Public

CASE ACTIVITY REPORT
DJ-DCI-2 (Rev. 4/74)

Wisconsin Department of Justice
DIVISION OF CRIMINAL INVESTIGATION

1. Case Number	2. Date	3. Case Title	
OC-1	10-02-74	FRANK P. BALISTRIERI	
4. Activity			5. Date of Activity
Interview			October 2, 1974

6.

On Tuesday, October 1, 1974, Detective Lieutenant GARY MC GAUGHEY, Minneapolis, Minnesota, Police Department, an LEIU member, telephonically contacted the Milwaukee D.C.I. Organized Crime Bureau requesting information on FRANK P. BALISTRIERI. The request was subsequently referred to the case agent, Special Agent THOMAS J. STEINGRAEBER for response.

On Wednesday, October 2, 1974, Special Agent STEINGRAEBER telephonically contacted Detective Lieutenant GARY MC GAUGHEY to ascertain what information he was seeking. Lieutenant MC GAUGHEY advised that he and Detective Lieutenant WELTON COPP were attempting to set up information on local organized crime people and their associates. ("Street talk" had indicated that organized prostitution might be forming in the Minneapolis area and based on that information they were only speculating or sumizing that there might be a connection with Milwaukee and FRANK BALISTRIERI.) Questioning by Special Agent STEINGRAEBER revealed that they did not have any factual information to base this assumption on.

It was determined that they had been talking to BRUCE JONES of the Minnesota Attorney General's Intelligence Division and had seen some reports which mentioned FRANK BALISTRIERI'S name. These reports indicated that FRANK BALISTRIERI was known to be an associate of B[redacted] a/k/a W[redacted] W[redacted] When questioned about W[redacted] it was determined that they were not too up to date on W[redacted]S activities. Lieutenant COPP described W[redacted] as a known gambler, jewelry fence, and stickup man. W[redacted] formerly owned the HUDDLE BAR in Minneapolis which has since been torn down for an urban renewal project. W[redacted]'S present whereabouts were unknown to both Lieutenant COPP and Lieutenant MC GAUGHEY. It was believed that W[redacted] might be in Sandstone Prison at this time because of a Federal gambling charge.

Special Agent STEINGRAEBER advised Lieutenant COPP that the Wisconsin Department of Justice Organized Crime Bureau did not have any current information connecting FRANK P. BALISTRIERI to prostitution activities or other criminal activities in the Minneapolis area at this time.

As Lieutenant MC GAUGHEY and Leiutenant COPP appeared to be "fishing" and when questioned about specifics did not have good answers, Special Agent STEINGRAEBER contacted BRUCE JONES of the Minnesota Attorney General's Office. The Minnesota Attorney General's Office has been of assistance to the D.C.I. Organized Crime Bureau in past and current investigations.

BRUCE JONES explained that Detective Lieutenants MC GAUGHEY and COPP were recently appointed to a newly formed Minneapolis Police Department Organized

7. Agents Thomas J. Steingraeber

Special Agent Thomas J. Steingraeber

This document contains neither recommendations nor conclusions of the Division of Criminal Investigation, Wisconsin Department of Justice. It is the property of this Division and is loaned to your agency. Its contents are not to be distributed outside your agency.

NEWSPAPER CLIPPING
DJ-DCI-43 (Rev. 11/74)

WISCONSIN DEPARTMENT OF JUSTICE
DIVISION OF CRIMINAL INVESTIGATION

RECEIVED
JAN 3 1976
DCI CIIC

COMMENTS

DATE December 30, 1974
PUBLICATION Milwaukee Sentinel

COORDINATION	O.C.	V.A.	S.A.	D.D.	A.T.	F.M.
	✓					

SUBMITTING UNIT Milwaukee Office
DCIR FILE NUMBER OC-1-155

Teamsters Hear Maier at Party

The Teamsters Union held its annual Christmas party Sunday night and about 250 union members heard Mayor Maier speak and saw a State Supreme Court justice and at least three local judges at the head table.

Frank P. Balistrieri, who appeared to be directing the staff at the Centre Stage Dinner Playhouse, 624 N. 2nd St., where the party was held, told a reporter the event was private.

The reporter later was permitted in to hear Maier's talk, but immediately after the speech was told to leave by a man who appeared to be a playhouse staff member.

Maier's brief remarks concerned his own New Year's Eve party Tuesday night at the Convention Center.

The mayor said he understood that at least 40 Teamsters would attend.

At the head table with Maie were State Supreme Court Ju tice Robert W. Hansen, Circu Judges Robert M. Curley an Louis J. Ceci, and County Judge John E. McCormick.

County Supervisor F. Thom as Ament also attended.

Balistrieri, a former Milwa kee nightclub owner, did n attend the party, but e changed greetings with man guests as they entered and lef

His brother, Peter Balistr eri, has been identified as th operator of the Centre Stage.

CASE ACTIVITY REPORT
DJ-DCI-2 (Rev. 4/74)

Wisconsin Department of Justice
DIVISION OF CRIMINAL INVESTIGATION

1. Case Number	2. Date	3. Case Title
OC-1	1-15-75	FRANK P. BALISTRIERI

4. Activity	5. Date of Activity
Investigation	January 14, 1975

6.

At approximately 12:50 p.m., January 14, 1975, Special Agent ALFRED F. SUHR was driving past FRANK BALISTRIERI'S residence at 3043 North Shepard Avenue, Milwaukee, and observed a late model, probably a 1973, Buick 2 door hardtop, dark green over green, parked in BALISTRIERI'S driveway at his home. This vehicle bore Wisconsin license E54-302.

Upon return to the Milwaukee D.C.I. Office, Special Agent SUHR telephonically contacted the Motor Vehicle Division, License Section, Madison, regarding the above listing and was informed that that car was listed to RANK & SON LEASING CORPORATION, 4200 North Green Bay Avenue, Milwaukee.

Special Agent SUHR then telephonically contacted J[redacted] R[redacted], a personal friend, and asked him to determine to whom this car was leased. J[redacted] R[redacted] then put Special Agent SUHR in telephonic contact with L[redacted] K[redacted], the leasing manager. K[redacted] stated that RANK & SON LEASING had leased a 1972 Buick stationwagon to MILWAUKEE RENTALS, INC., which is the parent corporation of BUDGET RENT-A-CAR. K[redacted] stated that BUDGET RENT-A-CAR is owned and/or operated by one J[redacted] H[redacted]. K[redacted] further informed Special Agent SUHR that approximately one week ago K[redacted] learned in a round about way that H[redacted] had been loaning his leased vehicle to FRANK BALISTRIERI. K[redacted] stated that he had contacted H[redacted] and told him to cease and desist loaning the leased vehicle to BALISTRIERI.

A check of the Milwaukee D.C.I. indices was negative concerning a J[redacted] H[redacted].

AFS:ms

RECEIVED
JAN 22 1975

7. Agents

Alfred F. Suhr

Special Agent Alfred F. Suhr

This document contains neither recommendations nor conclusions of the Division of Criminal Investigation, Wisconsin Department of Justice. It is the property of this Division and is loaned to your agency. Its contents are not to be distributed outside your agency.

NEWSPAPER CLIPPING
DJ-DCI-43 (Rev. 6/73)

WISCONSIN DEPARTMENT OF JUSTICE
DIVISION OF CRIMINAL INVESTIGATION

Inspector Dolan Set to Retire

First Deputy Inspector Stephen Dolan, third in command of the Milwaukee Police Department, is retiring effective Feb. 7. He is 67 and has 41 years' service.

Dolan's last day of work will be Friday. His only superiors on the police force are Chief Harold A. Breier and Inspector Jerome Jagmin.

Dolan joined the force in 1933 and rose to captain in 1956, commanding the 3rd District, which covers the central and western portions of the city. He was named first deputy inspector in 1965. The job includes overall supervision of the Vice Squad.

Dolan's pension will be $17,125 a year.

RECEIVED
JAN 22 1976
D CIIC

COMMENTS:

DATE: January 14, 1975
PUBLICATION: Milwaukee Journal

	O.C.	V.A.	S.A.	D.D.	A.T.	F.M.
COORDINATION:						

SUBMITTING UNIT: Milwaukee Office
CIIC FILE NUMBER:

FORM AD-23

DEPARTMENTAL CORRESPONDENCE

To Donald Simon, Director
Intelligence Bureau

From Walter A. Younk
Special Agent

Subject BALISTRIERI, FRANK P.

Date February 6, 1968

(Dictated February 5, 1968)

Reference is made to serial 12-19-320, wherein the Chula Vista, California, police department identified F[redacted] B[redacted], born [redacted] and A[redacted] B[redacted], born [redacted], as operators of the PALOMAR INN at Chula Vista.

Birth records of the Bureau of Vital Statistics, Madison, checked this date, confirm the birthdates of both persons, and show birthplaces as Milwaukee. Records fail to show middle initials, but reveal parents to be F[redacted] B[redacted] and L[redacted] S[redacted] of [redacted], Milwaukee.

The "organization" chart on file in this office shows F[redacted] B[redacted], (married to L[redacted] S[redacted]) as a brother to JOSEPH BALISTRIERI, who is the father of FRANK P. and PETER F. BALISTRIERI. Consequently, F[redacted] and A[redacted] of California are first cousins of FRANK P. and PETER F. BALISTRIERI of Milwaukee.

WAY:aa
3
12-19

City of Chula Vista
CALIFORNIA

POLICE DEPARTMENT

January 30, 1968

Mr. Bronson C. La Follette
Attorney General
State of Wisconsin
147 North - State Capital
Madison, Wisconsin

Attention: Mr. Donald R. Simon, Director, Intelligence Bureau

Dear Sir:

Reference is made to your letter dated 1-26-68 regarding the subscriber to the telephone number [redacted] in our city. After contact with our local telephone company, it was learned that this number is listed to the [redacted], Chula Vista.

The [redacted] is a cocktail lounge and restaurant which is jointly owned by F[redacted] and A[redacted] B[redacted]. F[redacted] B[redacted] is described as a W/M, [redacted] DOB [redacted]. A[redacted] B[redacted] is described as a [redacted] DOB [redacted]. Neither of these two subjects have a criminal record with our department.

On 1-1-68 A[redacted] B[redacted] opened the Red Coach, also a cocktail lounge and restaurant, in our city in partnership with his wife, M[redacted] This establishment is located at [redacted], Chula Vista, [redacted].

If we can be of any further assistance, do not hesitate to call on us.

Very truly yours,

ROY H. BORCHERS, Captain
Investigative Division

By: R. L. Kelso
R. L. KELSO, Sgt.
Detective Division

RLK/ams

CASE ACTIVITY REPORT
DJ-DCI-2 (Rev. 4/74)

Wisc[illegible]n Department of Justice
DIVISION OF CRIMINAL INVESTIGATION

1. Case Number	2. Date	3. Case Title
OC-1	02-17-75	FRANK P. BALISTRIERI

4. Activity	5. Date of Activity
Interview	February 11, 1975

6.

On February 11, 1975, Agent BARRY SPROFERA of the San Diego County, California, District Attorney's Office, telephone number [redacted], telephonically contacted Special Agent SUHR in the Milwaukee D.C.I. Office and relayed substantially the following information:

SPROFERA stated that F[redacted] S[redacted] B[redacted], [redacted], W/M, DOB: [redacted], POB: Milwaukee, Wisconsin, described as 5'7", 200 lbs., brown hair, brown eyes, who runs a bar which is known as the [redacted], [redacted] Road, Chula Vista, California, had left the San Diego area ostensibly for Milwaukee to "take care of some business." SPROFERA added that F[redacted] B[redacted] is the brother of A[redacted] B[redacted], W/M, DOB: [redacted]. SPROFERA stated that A[redacted] and F[redacted] B[redacted] are related in an unknown capacity to FRANK PETER BALISTRIERI of Milwaukee.

Two references in DCIR, 12-19-320 and 12-19-338, show identifying data for F[redacted] and A[redacted] B[redacted]. Investigation conducted by an agent of the Milwaukee D.C.I. office dated February 1968, shows that F[redacted] B[redacted] and A[redacted] B[redacted] are first cousins of FRANK PETER and PETER FRANK BALISTRIERI of Milwaukee.

Reference OC-1-137, on file in the Milwaukee D.C.I. office, shows that in November 1973, at the time of ANDREW LOCOCO'S funeral, FRANK BALISTRIERI of Milwaukee was observed in the company of A[redacted] B[redacted] of California.

SPROFERA requested that if the Wisconsin Department of Justice determined why F[redacted] B[redacted] was in Milwaukee that his agency be notified. Special Agent SUHR told SPROFERA this would be done.

AFS:sk

7. Agents

RECEIVED FEB 20 1975

Special Agent Alfred F. Suhr

This document contains neither recommendations nor conclusions of the Division of Criminal Investigation, Wisconsin Department of Justice. It is the property of this Division and is loaned to your agency. Its contents are not to be distributed outside your agency.

CASE ACTIVITY REPORT
DJ-DCI-2 (Rev. 4/74)

Wisconsin Department of Justice
DIVISION OF CRIMINAL INVESTIGATION

1. Case Number	2. Date	3. Case Title	
OC-1	2-27-75	FRANK P. BALISTRIERI	
4. Activity			5. Date of Activity
Surveillance			February 19, 1975

6.

On the evening of February 19, 1975, Special Agent HAMBLIN attempted to surveil a number of downtown Milwaukee nightclubs that are of interest to the Organized Crime Bureau as well as locate and surveil various organized crime figures.

Special Agent HAMBLIN did not observe any activity or vehicles of interest in the vicinity of the following locations: AD LIB, BRASS RAIL, CENTER STAGE, SALLY'S, TROVATO'S, LITTLE CAESAR'S, MILWAUKEE INN, or FAZIO'S ON JACKSON.

Special Agent HAMBLIN was unable to locate STEVE DI SALVO or his vehicle. FRANK BALISTRIERI'S vehicle and one that he is renting were both parked in the vicinity of his residence. There were no vehicles or activity at the JAMES ROSENHEIMER residence.

Special Agent HAMBLIN entered PITCH'S LOUNGE, 1801 North Humboldt Avenue, Milwaukee, at approximately 8:35 p.m., and remained until approximately 9:25 p.m. PETER PICCIURRO was tending bar and there were, initially, five patrons at the bar. No significant activity was observed or conversations overheard.

GHH:ms

7. Agents

Gary H. Hamblin

Special Agent GARY H. HAMBLIN

RECEIVED MAR - 5 1975

This document contains neither recommendations nor conclusions of the Division of Criminal Investigation, Wisconsin Department of Justice. It is the property of this Division and is loaned to your agency. Its contents are not to be distributed outside your agency.

CASE ACTIVITY REPORT
DJ-DCI-2 (Rev. 4/74)

Wisconsin Department of Justice
DIVISION OF CRIMINAL INVESTIGATION

1. Case Number	2. Date	3. Case Title
OC-1	3-07-75	FRANK P. BALISTRIERI

4. Activity	5. Date of Activity
Investigation/Surveillance	March 5, 1975

6.

At approximately 7:50 a.m., March 5, 1975, while Special Agent ALFRED SUHR was proceeding from his home to the Milwaukee D.C.I. Office, he drove past the home of FRANK P. BALISTRIERI, 3043 North Shepard Avenue, Milwaukee. Observed in the driveway of BALISTRIERI'S home was BALISTRIERI'S 2-door white over maroon Cadillac bearing Wisconsin license L63-421.

Parked directly in front of BALISTRIERI'S home on the west side of the street were two vehicles which were observed by Special Agent SUHR. Special Agent SUHR took down the license numbers and then proceeded to the Milwaukee D.C.I. Office. Upon arrival at the office, Special Agent SUHR requested Special Agent JOSEPH ZAWORSKI to run listings on the license plates through the Motor Vehicle Division, to which ZAWORSKI provided the following information:

CB 1013 -- RANK AND SON BUICK, INC.
4200 North Green Bay Avenue
On a 1975 Buick, 2-door Limited,
Driven by FRANK P. BALISTRIERI

D 915 -- L[redacted] D[redacted]
[redacted], Madison
On a 1973 Dodge, 2-door

D[redacted] is negative in the files of the Milwaukee D.C.I. Office.

AFS:kmj

7. Agents Alfred F. Suhr
Alfred F. Suhr, Special Agent

RECEIVED MAR 13 1975

This document contains neither recommendations nor conclusions of the Division of Criminal Investigation, Wisconsin Department of Justice. It is the property of this Division and is loaned to your agency. Its contents are not to be distributed outside your agency.

OC-1-160

NEWSPAPER CLIPPING
DJ-DCI-43 (Rev. 11/74)

WISCONSIN DEPARTMENT OF JUSTICE
DIVISION OF CRIMINAL INVESTIGATION

[illegible] Gives Testimony in Doe

By DENNIS J. SIEG
Sentinel Staff Writer

West Bend, Wis. — Frank P. Balistrieri, former Milwaukee nightclub owner, was one of six witnesses to testify during a secret weekend John Doe investigation in Washington County Court here.

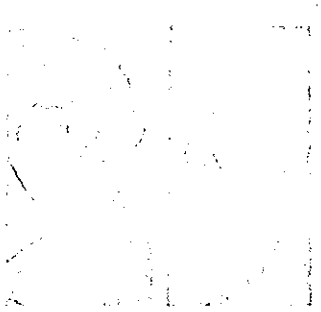
Also appearing under subpena as witnesses were Antonio Machi, Joseph Enea, Vincent

Steve DiSalvo

Maniaci, Miss Jennie Alioto and Peter F. Balistrieri, Frank's brother. All are from Milwaukee.

Steve DiSalvo, who also was subpenaed to testify, was arrested Saturday near his home at 4163 N. 82nd St., Milwaukee, by agents of the organized crime division of the State Department of Justice after he failed to appear at the Doe.

DiSalvo is a former employe of Universal Builders, Inc., a defunct Milwaukee siding company. The firm, which has been under investigation by the jus-



Machi F. Balistrieri

tice department for more than a year, has been the object of the Doe proceeding, which began Nov. 21.

Agent's Testimony

Gary H. Hamblin, a state agent, testified that DiSalvo had attempted to evade him on March 4 when he attempted to serve DiSalvo with the subpena.

Hamblin testified that DiSalvo told him, "I'm not taking anything. Don't give me anything. I'll knock you on your . . . I'll twist that mustache around your neck."

DiSalvo was charged Saturday with criminal contempt of court and released on $1,000 bail. He was orderd to appear

When asked by a reporter in court here March 31. about his failure to appear earlier in the day, DiSalvo replied, "I don't have anything to say, okay."

DiSalvo, Balistrieri and Henry Nechy, former president of Universal Builders, were subpenaed in 1973 to appear before a Miami (Fla.) federal grand jury investigating organized crime.

DiSalvo's attorney Saturday was Joseph P. Balistrieri, Frank's son. Balistrieri also represented Enea, Miss Alioto, Maniaci and Peter Balistrieri.

Boyle Attorney

Machi's attorney was Gerald P. Boyle, a former Milwaukee County deputy district attorney.

Miss Alioto and Enea were granted immunity from prosecution Saturday after they refused to answer questions during the Doe.

Enea, 43, is the former license holder of the Ad Lib, 323 W. Wells St., Milwaukee, a nightclub that in the past has been linked to Frank Balistrieri.

In 1971 Enea was convicted of battery after striking a customer at The Scene, 624 N. 2nd St., where he was working as a bartender. The Scene was then owned by a corporation headed by Peter Balistrieri.

Peter Balistrieri, 55, and Miss Alioto, 48, were convicted in 1971 on charges of state sales tax fraud.

Frank Balistrieri, 56, who testified for about 20 minutes Saturday has been convicted of federal income tax evasion. He refused to comment when asked about his appearence at the Doe.

Linked to Mafia

Frank Balistrieri was described in 1969 by US Sen. John L. McClellan (D-Ark.) as the head of the Mafia family in Milwaukee.

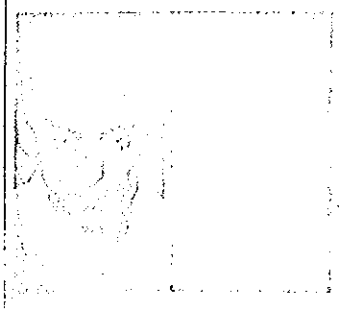
Maniaci, 55, the owner of Little Ceaser's Cocktail Lounge, 1758 N. Water St.,

Maniaci P. Balistrieri

was indicted last December by a federal grand jury on charges of loan extortion and interstate transportation of stolen property.

The appearance of a witness before a John Doe proceeding does not necessarily mean that he is suspected of wrongdoing, but indicates that the witness may have information that would aid the investigation.

Two former salesmen for Universal Builders pleaded



Enea Miss Alioto

guilty last year to criminal violations of state consumer protection laws.

The two and another former salesman also were charged with illegally obtaining mortgages from home owners in order to finance siding work.

RECEIVED MAR 13 1975

COMMENTS

DATE March 10, 1975

PUBLICATION Milwaukee Sentinel

	O.C.	V.A.	S.A.	D.D.	A.T.	F.M.
COORDINATION						

SUBMITTING UNIT Milwaukee Office

DCIP FILE NUMBER

FRANK A. MEYERS
ADMINISTRATOR

Arson Bureau
Organized Crime Bureau
General Investigations Bureau
Narcotics and Dangerous Drugs Bureau
Alcohol and Tobacco Enforcement Bureau

The State of Wisconsin
Department of Justice
Division of Criminal Investigation
123 West Washington Avenue
Madison 53702

BRONSON C. LA FOLLETTE
ATTORNEY GENERAL

DAVID J. HASE
DEPUTY ATTORNEY GENERAL

March 24, 1975

Secretary of State's Office
Corporate Division
112 West Capitol
Madison, Wisconsin 53702

Dear Sir:

Please make a search of your corporate records and forward a copy of the Articles of Incorporation and the last Annual Report for:

Milwaukee Rentals, Inc.
340 West Wisconsin Avenue
Milwaukee, Wisconsin

This information is requested as part of an official investigation.

Please address your reply to the Wisconsin Department of Justice, 819 North 6th Street, Milwaukee, Wisconsin, 53203, Attention: Special Agent Gary H. Hamblin.

Thank you for your cooperation.

Sincerely,

FRANK A. MEYERS
Administrator

HERBERT L. KRUSCHE
Director
Organized Crime Bureau

GHH
GHH:ms

RECEIVED MAR 3 1 1975

CASE ACTIVITY REPORT
DJ-DCI-2 (Rev. 4/74)

Wisconsin Department of Justice
DIVISION OF CRIMINAL INVESTIGATION

1. Case Number	2. Date	3. Case Title
OC-1	3-25-75	FRANK P. BALISTRIERI

4. Activity	5. Date of Activity
Surveillance	March 25, 1975

6.

On March 25, 1975, between the hours of 9:30 a.m. and 11:30 a.m., Special Agents GARY H. HAMBLIN and ALFRED F. SUHR attempted to locate and surveil FRANK P. BALISTRIERI. Agents were unable to locate BALISTRIERI or his white over red Cadillac in the downtown Milwaukee area or on the east side. His vehicle was not parked at his residence. However, the following vehicles were parked in the driveway in BALISTRIERI'S residence:

A 1975 Buick 2 door, white with a 76/Wisconsin AA8316, listed to MILWAUKEE RENTALS, INC., 340 West Wisconsin Avenue, Milwaukee, Wisconsin; and

a Buick with 76/Wisconsin CB1013, listed to RANK & SON LEASING. (This vehicle has been observed previously at BALISTRIERI'S residence.)

A 1971 Chrysler 2 door, brown/brown, with a 75/Wisconsin S28-415, listed to M[redacted] L[redacted], [redacted], Milwaukee, Wisconsin, was parked on the street in front of BALISTRIERI'S residence.

No other significant activity was observed during the period of surveillance.

GHH:ms

7. Agents Gary H Hamblin
Special Agent Gary H. Hamblin

RECEIVED MAR 31 1975

This document contains neither recommendations nor conclusions of the Division of Criminal Investigation, Wisconsin Department of Justice. It is the property of this Division and is loaned to your agency. Its contents are not to be distributed outside your agency.

CASE ACTIVITY REPORT
DJ-DCI-2 (Rev. 4/74)

Wisco[illegible] Department of Justice
DIVISION OF CRIMINAL INVESTIGATION

1. Case Number	2. Date	3. Case Title
OC-104	3-14-75	SALLY A. PAPIA

4. Activity	5. Date of Activity
Investigation	March 12, 1975

6.

At approximately 10:15 p.m., March 12, 1975, Special Agent ALFRED F. SUHR, accompanied by his wife, entered SALLY'S STEAK HOUSE, 1028 East Juneau Avenue, Milwaukee. Special Agent SUHR was in SALLY'S for the purpose of gathering intelligence information and observing the activities of persons of interest who frequent that establishment.

After Special Agent SUHR and his wife had been seated at the bar for approximately five minutes, JAMES JENNARO and RUSSELL ENEA alternately came over and greeted them. Shortly thereafter, C[redacted] P[redacted], SALLY'S daughter, also came over and engaged Special Agent SUHR'S wife in conversation. C[redacted] P[redacted] told Special Agent SUHR'S wife that C[redacted] had recently gotten a new Mercedes.

Special Agent SUHR and his wife were then joined at the bar by SALLY PAPIA who remained standing by them. SALLY PAPIA bought Special Agent SUHR and his wife a drink. SALLY PAPIA and Special Agent SUHR'S wife engaged in general small talk. SALLY PAPIA appeared to have had a couple of drinks, and she was very effusive. SALLY PAPIA mentioned to Special Agent SUHR and his wife that earlier that day she had been in TROVATO'S RESTAURANT and had talked to Special Agent SUHR'S wife's son, M[redacted], who busses dishes there during the lunch hour. SALLY claimed that she told Special Agent SUHR'S wife's son that she wanted him to return to her restaurant and bus dishes for her at night. It was at this point that KURT AMIDZICH'S name came up. Special Agent SUHR'S wife told SALLY PAPIA that Special Agent SUHR'S wife's son had two corporate checks returned for non-sufficient funds that he had cashed at a local store. Special Agent SUHR'S wife's son had received these checks as wages from NORTHBROOK INN, INC., when he bussed dishes at that establishment prior to the fire. SALLY PAPIA said that she had heard the same information from Special Agent SUHR'S wife's son earlier that day. At this point, SALLY became very agitated when she heard AMIDZICH'S name, and SALLY PAPIA said, "He's a no good son-of-a-bitch!" SALLY then addressed herself to Special Agent SUHR and said, "Do you know, AL, that you and KRUSCHE were accused of helping me steal his car?" Special Agent SUHR denied that he knew anything about this. Special Agent SUHR then asked SALLY PAPIA whatever happened to AMIDZICH'S first car that had allegedly been stolen. SALLY PAPIA claimed that since the incident with AMIDZICH'S car, AMIDZICH has purchased a 1975 Cadillac ElDorado. SALLY PAPIA further claimed that AMIDZICH'S other car is in Chicago, painted a different color, and is being driven by AMIDZICH'S brother, B[redacted].

Special Agent SUHR then bought a round of drinks for JENNARO, ENEA, and R[redacted] B[redacted], who had previously sent a drink to Special Agent SUHR and his wife. Special Agent SUHR attempted to buy SALLY PAPIA a drink; however, the bartenders discouraged this claiming that she already had a sufficient

7. Agents

Special Agent Alfred F. Suhr

RECEIVED APR 17 1975

This document contains neither recommendations nor conclusions of the Division of Criminal Investigation, Wisconsin Departm[illegible]nt of Justice. It is the property of this Division and is loaned to your agency. Its contents are not to be distributed outside your agency.

OC-1-164

amount to drink.

Again referring to AMIDZICH, SALLY PAPIA claimed that while she had been in Palm Springs, California, JENNARO and ENEA had gone over one evening to the MILWAUKEE INN, Towne Room East, to have a drink. While JENNARO and ENEA were at the bar in the Towne Room East, ENEA saw AMIDZICH standing near the kitchen toward the rear of the dining room. ENEA went to the rear of the dining room and talked to AMIDZICH. Subsequently, AMIDZICH allegedly made statements to the effect that JENNARO and ENEA had threatened him because of the car incident and had held guns to his head. As a result of AMIDZICH'S alleged statement, JENNARO and ENEA were called in by FRANK BALISTRIERI and FRANK BUCCIERI, but not at the same time. JENNARO and ENEA were allegedly told by both BALISTRIERI and BUCCIERI to leave AMIDZICH alone. Upon SALLY PAPIA'S return to Milwaukee, she too was called in by BALISTRIERI and BUCCIERI and told to leave AMIDZICH alone. SALLY PAPIA said all this in a fairly loud voice in the open in the bar area.

While Special Agent SUHR was sitting at the bar with his wife and alternately talking to SALLY PAPIA and others, two males had entered the bar either from the restaurant area or the main entrance. They seated themselves at the bar to rear of Special Agent SUHR where Special Agent SUHR was not able to observe them. Consequently, Special Agent SUHR had not paid any attention as to who they were. These two males were not there very long when ROY BERTUCCI approached Special Agent SUHR'S wife and said that he would like to meet Special Agent SUHR. Special Agent SUHR was introduced to B[redacted], and he exclaimed in a loud voice, "You're a cop, aren't you?" B[redacted] also said, "You work for HERB, HERB KRUSCHE, don't you, for the State?" At this point, the two males who were at Special Agent SUHR'S back left that area and moved to a different part of the bar. Special Agent SUHR recognized one of the males as T[redacted] P[redacted]. At approximately 12:00 midnight, Special Agent SUHR and his wife prepared to leave SALLY'S. Special Agent SUHR'S wife went into the Ladies Room, and Special Agent SUHR waited in the lobby for his wife. While standing there, Special Agent SUHR was approached by SALLY PAPIA. At this point, Special Agent SUHR'S wife came out of the Ladies Room and all three engaged in small talk. While PAPIA, Special Agent SUHR and his wife were conversing in the lobby, T[redacted] P[redacted] and the other white male exited from the bar area and called to SALLY PAPIA. SALLY PAPIA went over and hugged P[redacted] and somebody made a statement to the effect that P[redacted] was now in the "auto business." Special Agent SUHR and his wife then departed SALLY'S.

AFS:ms

AD-75

DEPARTMENTAL CORRESPONDENCE

Date: April 10, 1975

To: File OC-1

From: Gary H. Hamblin, Special Agent
Organized Crime Bureau

Subject: Milwaukee Rentals, Inc.

On April 10, 1975, S/A HAMBLIN received copies of the Article of Incorporation for MILWAUKEE RENTALS, INC., [redacted], Milwaukee, from the Wisconsin Secretary of States Office. Copies of the Articles are attached to this memo.

Recently, FRANK P. BALISTRIERI has been using several autos registered or leased to MILWAUKEE RENTALS, INC.

Leads:
1. Send out LEIU requests for background information on all officers of MILWAUKEE RENTALS.
2. Conduct a local background investigation on J[redacted] H[redacted] of Milwaukee.

Gary H. Hamblin
GARY H. HAMBLIN

GHH:dlh

RECEIVED APR 17 1975

OC-1-165

FRANK A. MEYERS
ADMINISTRATOR

Arson Bureau
Organized Crime Bureau
General Investigations Bureau
Narcotics and Dangerous Drugs Bureau
Alcohol and Tobacco Enforcement Bureau

The State of Wisconsin
Department of Justice
Division of Criminal Investigation
123 West Washington Avenue
Madison 53702

March 24, 1975

BRONSON C. LA FOLLETTE
ATTORNEY GENERAL

DAVID J. HASE
DEPUTY ATTORNEY GENERAL

Secretary of State's Office
Corporate Division
112 West Capitol
Madison, Wisconsin 53702

Dear Sir:

Please make a search of your corporate records and forward a copy of the Articles of Incorporation and the last Annual Report for:

Milwaukee Rentals, Inc.
340 West Wisconsin Avenue
Milwaukee, Wisconsin

This information is requested as part of an official investigation.

Please address your reply to the Wisconsin Department of Justice, 819 North 6th Street, Milwaukee, Wisconsin, 53203, Attention: Special Agent Gary H. Hamblin.

Thank you for your cooperation.

Sincerely,

FRANK A. MEYERS
Administrator

Herbert L. Krusche

HERBERT L. KRUSCHE
Director
Organized Crime Bureau

GHH:ms

Form 22—Sec. State
Certificate of Authority

UNITED STATES OF AMERICA

The State of Wisconsin

FORWARD

DEPARTMENT OF STATE

TO ALL TO WHOM THESE PRESENTS SHALL COME:

WHEREAS, MILWAUKEE RENTALS INC.

a corporation organized under the laws of the State of Delaware has made application for Certificate of Authority to transact business in Wisconsin and has complied with the requirements of Section 180.815 of the Wisconsin Statutes, and has paid the required fee,

NOW THEREFORE, the aforesaid corporation is hereby authorized to transact business in Wisconsin, in accordance with its application and the Wisconsin Statutes.

In Testimony Whereof, I have hereunto set my hand and affixed my official seal, at the Capitol, in the City of Madison, on February 15, 1973

ROBERT C. ZIMMERMAN
Secretary of State

SEE REVERSE FOR MORE INFORMATION

CASE ACTIVITY REPORT
DJ-DCI-2 (Rev. 4/74)

Wisconsin Department of Justice
DIVISION OF CRIMINAL INVESTIGATION

1. Case Number	2. Date	3. Case Title
OC-1	4-14-75	FRANK P. BALISTRIERI

4. Activity	5. Date of Activity
Surveillance	April 14, 1975

6.

At approximately 7:45 a.m., Monday, April 14, 1975, Special Agent ALFRED F. SUHR drove past the home of FRANK P. BALISTRIERI, 3043 North Shepard Avenue, Milwaukee, Wisconsin. Observed in the driveway was a Chevrolet stationwagon bearing Wisconsin license B52-574 and the car was further identified with the name SHORECREST HOTEL on the rear panel of the door.

Subsequently, Special Agent SUHR telephonically contacted the Motor Vehicle Division and obtained the following listing:

76/B52-574 -- C. E. T. SHORECREST HOTEL, 1962 North Prospect Avenue, Milwaukee, on a 1973 Chevrolet

AFS.ms

7. Agents

Alfred F. Suhr

Special Agent Alfred F. Suhr

RECEIVED APR 17 1975

This document contains neither recommendations nor conclusions of the Division of Criminal Investigation, Wisconsin Department of Justice. It is the property of this Division and is loaned to your agency. Its contents are not to be distributed outside your agency.

CASE ACTIVITY REPORT
DJ-DCI-2 (Rev. 4/74)

Wisconsin Department of Justice
DIVISION OF CRIMINAL INVESTIGATION

1. Case Number	2. Date	3. Case Title
OC-1	04-28-75	FRANK BALISTRIERI

4. Activity	5. Date of Activity
Interview	April 28, 1975

6.

Director KRUSCHE met with Milwaukee County Circuit Judge JOHN L. COFFEY on this date and received the following information:

Judge COFFEY'S son is a close friend of Marquette Law School Dean CHARLES MENTKOWSKI. Judge COFFEY'S son has advised him on several occasions that MENTKOWSKI'S son has bragged about the fact that his father receives many phone calls from FRANK P. BALISTRIERI. MENTKOWSKI is allegedly a good friend of FRANK BALISTRIERI. Dean MENTKOWSKI is also on the Milwaukee Police Department's Board of Fire and Police Commissioners. COFFEY further advises that he was in Reno, Nevada, to attend a judge's convention about a year ago and that someone in attendance at this convention pointed out a gambling casino and advised that MENTKOWSKI was a frequent visitor to the gambling casino and further that MENTKOWSKI was a heavy gambler. COFFEY said that he had talked to the Dean of the Marquette Law School in confidence in regard to this matter and pointed out that if FRANK BALISTRIERI had some kind of a hold on Dean MENTKOWSKI, he might use his influence to get certain individuals into the Marquette Law School. Judge COFFEY said that the reaction to his statements relative to MENTKOWSKI being a big gambler were not met with any great surprise. He said that it is obviously well known that MENTKOWSKI is a heavy gambler.

Judge COFFEY further stated that he received a telephone call from his father-in-law who runs the KUNZELMANN-ESSER funiture store on Mitchell Street in Milwaukee, at about 9:30 p.m., on Saturday evening, April 26, 1975. COFFEY said that his father-in-law received a telephone call from a person who did not identify himself, but whose voice sounded familiar. The caller advised COFFEY'S father-in-law to tell his son-in-law to stay away from Judge CHRIST SERAPHIM because SERAPHIM was very close to FRANK BALISTRIERI. Judge COFFEY said that on occasion he has eaten in a restaurant known as BAKER'S near his father-in-law's store on Mitchell Street. He said that he believes that prostitutes hang out in this tavern/restaurant and that possibly the telephone call came from someone in BAKER'S TAVERN who might have seen FRANK BALISTRIERI and Judge SERAPHIM together. COFFEY said that he had told CHRIST SERAPHIM about the telephone call and that SERAPHIM responded and said that he was a good friend of FRANK BALISTRIERI.

Judge COFFEY further stated that about a year and a half ago he was running against Judge HUGH O'CONNELL for Assistant Chief Judge of Milwaukee County. He said that he lost the election for the position to O'CONNELL by one vote. He said that his friend, J[redacted] M[redacted] voted for him and that a short time later, M[redacted] was in FAZIO'S ON JACKSON with Judge

RECEIVED APR 29 1975

7. Agents

Director Herbert L. Krusche

This document contains neither recommendations nor conclusions of the Division of Criminal Investigation, Wisconsin Department of Justice. It is the property of this Division and is loaned to your agency. Its contents are not to be distributed outside your agency.

MEEK. COFFEY said that it was at this time that A[redacted] F[redacted] told Judge M[redacted] that he was disappointed in the fact that he had voted for Judge COFFEY. M[redacted] told COFFEY that F[redacted] said, "COFFEY does not travel the same side of the street as we do, and I am disappointed that you voted for him."

Judge COFFEY gave the aforementioned information in strict confidence and does not want this information disseminated or discussed with anyone without Director KRUSCHE'S prior contact with him.

HLK:sk

CASE ACTIVITY REPORT
DJ-DCI-2 (Rev. 4/74)

Wisconsin Department of Justice
DIVISION OF CRIMINAL INVESTIGATION

1. Case Number	2. Date	3. Case Title
OC-1	4-25-75	FRANK P. BALISTRIERI

4. Activity	5. Date of Activity
Surveillance	April 23 and 24, 1975

6.

At approximately 7:45 a.m., April 23, 1975, Special Agent ALFRED F. SUHR was proceeding south on North Lake Drive on his way to work. Special Agent SUHR observed FRANK BALISTRIERI'S white over maroon, 2-door Cadillac bearing Wisconsin license L63-421, parked on the east side of North Lake Drive directly in front of the residence at [redacted].

At approximately 12:45 p.m., April 24, 1975, Special Agent SUHR again observed BALISTRIERI'S car parked on the west side of North Lake Drive directly across the street from the residence at [redacted].

A check of the Milwaukee D.C.I. indices reveals that [redacted] is the last known address of BENEDETTA BALISTRIERI, FRANK BALISTRIERI'S older daughter.

At approximately 12:35 p.m., April 24, 1975, Special Agent SUHR drove past FRANK BALISTRIERI'S residence at 3043 North Shepard Avenue and observed a late model Buick convertible parked in front of BALISTRIERI'S residence. This vehicle bore Wisconsin license Z64-804.

Upon Special Agent SUHR'S return to the Milwaukee D.C.I. office, he telephonically contacted Motor Vehicle Division and obtained the following listing:

75/Z64-804 J[redacted] A[redacted]
[redacted]
Wauwatosa, Wisconsin

A check of the Milwaukee D.C.I. indices reveals that J[redacted] A[redacted] is negative in those files.

AFS:kmj

7. Agents Alfred F. Suhr
Special Agent Alfred F. Suhr

RECEIVED MAY - 7 1975

This document contains neither recommendations nor conclusions of the Division of Criminal Investigation, Wisconsin Department of Justice. It is the property of this Division and is loaned to your agency. Its contents are not to be distributed outside your agency.

OC-1-168

CASE ACTIVITY REPORT
DJ-DCI-2 (Rev. 4/74)

Wisconsin Department of Justice
DIVISION OF CRIMINAL INVESTIGATION

1. Case Number	2. Date	3. Case Title
OC-1	05-02-75	FRANK P. BALISTRIERI

4. Activity	5. Date of Activity
Interview - Telephone	April 2, 1975

6.

Director KRUSCHE received a telephone call from Milwaukee County Circuit Judge JOHN L. COFFEY on this date and received the following information:

Judge COFFEY was at the EAGLES CLUB in Milwaukee for lunch on this date and observed actor/comedian MILTON BERLE on a noon luncheon program. B[redacted] is performing at the CENTRE STAGE THEATER operated by FRANK BALISTRIERI. Judge COFFEY said that M[redacted] B[redacted] arrived at the EAGLES CLUB with Circuit Judge CHRIS SERAPHIM in one of FRANK BALISTRIERI'S cars. Judge COFFEY also overheard conversation relative to the fact that Judge SERAPHIM and others of the EAGLES CLUB would be guests of BALISTRIERI at the CENTRE STAGE THEATER on Saturday evening, May 3, 1975. Judge COFFEY said that M[redacted] B[redacted] mentioned FRANK BALISTRIERI at the noon luncheon in question and made remarks to how much FRANK BALISTRIERI had done for the community.

LEAD:

Have Special Agents AL SUHR and HAROLD ENGELBART attend the 9:00 show at the CENTRE STAGE to observe FRANK BALISTRIERI and any public officials he is with.

HLK:sk

7. Agents

Director Herbert L. Krusche

RECEIVED MAY 14 1975

This document contains neither recommendations nor conclusions of the Division of Criminal Investigation, Wisconsin Department of Justice. It is the property of this Division and is loaned to your agency. Its contents are not to be distributed outside your agency.

DEPARTMENTAL CORRESPONDENCE

Date: May 5, 1975

To: File

From: David W. Neeb

Subject: Recreational International Investigation: James Rosenheimer

On this date I received a call from John Stone who informed me that through S[redacted] C[redacted] of the Milwaukee Journal he had learned certain information.

He informed me that the Rosenheimer associate named "Jeep" is in fact one J[redacted] W[redacted]. Stone also related that Rosenheimer works out of W[redacted]'s salvage yard, but occasionally goes home in the evening. C[redacted]'s informant, [redacted], furthern indicated that when Rosenheimer does come home it is extremely late at night and he leaves his residence before dawn.

[redacted] further informed C[redacted] that when Leo Roethe paid $50,000 to Joe Balistrieri, that it was delivered directly to Frank Balistrieri. [redacted] relates that Rosenheimer and Leo Roethe went personally to Balistrieri with the money and that Rosenheimer had added to the $50,000 which Leo Roethe contributed. [redacted] further indicates that either Henry Nechy or Steve DiSalvo had arranged for the meeting between Roethe, Rosenheimer and Frank Balistrieri.

DWN

DWN/bd

CC: Dale Laine
Don Schmidt

RECEIVED MAY 14 1975

CASE ACTIVITY REPORT
DJ-DCI-2 (Rev. 4/74)

Wisconsin Department of Justice
DIVISION OF CRIMINAL INVESTIGATION

1. Case Number	2. Date	3. Case Title
OC-1	5-07-75	FRANK P. BALISTRIERI

4. Activity	5. Date of Activity
Surveillance	May 3 and 4, 1975

6.

On May 2, 1975, Director HERBERT L. KRUSCHE telephonically received information from Milwaukee County Circuit Court Judge JOHN L. COFFEY, who heard on May 1, 1975, from a source that on May 3, 1975, at the CENTRE STAGE DINNER PLAYHOUSE, 624 North 2nd Street, Milwaukee, FRANK P. BALISTRIERI reportedly would be entertaining some high public officials. Director KRUSCHE assigned Special Agents ALFRED F. SUHR and HAROLD S. ENGELBART to surveil this activity at the CENTRE STAGE DINNER PLAYHOUSE on May 3, 1975, and the following is a summary of events that evening:

8:45 p.m. Special Agents Suhr and Engelbart, accompanied by their wives, met at the Milwaukee State Office Building and proceeded in Special Agent SUHR'S car to the area of the CENTRE STAGE. A drive through the immediate area of the CENTRE STAGE revealed no familiar vehicles and/or individuals.

9:00 p.m. Special Agents SUHR and ENGELBART, accompanied by their wives, entered the CENTRE STAGE DINNER PLAYHOUSE and took seats at the north end of the main bar. RUDY PORCHETTA and JOSEPH MANIACI were the bartenders on duty. Milwaukee County Circuit Court Judge CHRIST T. SERAPHIM was seated at the south end of the bar and was conversing with persons not recognized by either of the agents. The agents then ordered drinks for themselves and their wives.

9:15 p.m. Special Agent SUHR got up from his seat at the bar and went around to the end of the bar where Special Agent ENGELBART was seated to converse with him. As Special Agent SUHR did this, a white male, wearing steel rimmed glasses, approximately 45 to 50 years of age, seated midway at the bar between the agents and Judge SERAPHIM, nudged a younger white female seated next to him and both this unidentified male and female looked in the agent's direction. The actions of this unidentified white male and his female companion were observed by Special Agent SUHR'S and ENGELBART'S wives. After a couple of minutes, this white male went over to where Judge SERAPHIM was seated and conversed with Judge SERAPHIM.

9:45 p.m. The dining area was opened and attendees proceeded into the dining area. Special Agents SUHR and ENGELBART waited until Judge SERAPHIM and the party he was with entered the dining area, and then the agents and their wives also

7. Agents

Alfred F. Suhr

Special Agents Alfred F. Suhr and Harold S. Engelbart

RECEIVED MAY 23 1975

This document contains neither recommendations nor conclusions of the Division of Criminal Investigation, Wisconsin Department of Justice. It is the property of this Division and is loaned to your agency. Its contents are not to be distributed outside your agency.

OC-1-171

entered the dining area. The agents and their wives were seated in the middle of the dining area toward the rear, and Judge SERAPHIM and his unidentified party were seated at a long table in the very front of the stage and slightly to the north of where the agents were seated. The agents had an excellent viewing point of Judge SERAPHIM'S activities while in the dining area and while the lights were on. Dinner was then served.

11:00 p.m. While employees began to clear the tables after dinner was finished, Special Agents SUHR and ENGELBART observed E[redacted] S[redacted] (OC-169), accompanied by an unidentified white female and S[redacted]'S father, known only to Special Agent SUHR as "[redacted]", take seats toward the front of the dining area. Special Agent SUHR'S wife also observed a person known to her from a previous place of employment as DOCTOR (FNU) LEONE and his wife accompanied by an unidentified male and female take seats quite close to the agents' table. Just prior to the beginning of the show, S[redacted] went to the table where Judge SERAPHIM was seated and conversed for a moment or two with one of the unidentified white males seated at the table and then returned to his table.

11:15 p.m. The lights were turned out as the stage show began, and Judge SERAPHIM had not left his seat during this period of time.

12 Midnight: This was the first intermission, and the lights were turned on. Special Agent SUHR left his seat at the table and proceeded to leave the building. While Special Agent SUHR was going down the stairwell to go outside, he observed FRANK BALISTRIERI coming up the stairwell on the other side. BALISTRIERI gave no sign that he recognized Special Agent SUHR. Special Agent SUHR left the building, went to his car and obtained a portable tape recorder and then proceeded to the parking lot located to the south of the CENTRE STAGE theatre and began taking down license plate numbers. Special Agent SUHR then proceeded to the parking lot across the alley and to the rear of the CENTRE STAGE PLAYHOUSE, where he took down some more license numbers. Special Agent SUHR then proceeded to the front of the CENTRE STAGE PLAYHOUSE on North 2nd Street, but he did not observe FRANK BALISTRIERI'S personal car or either of the two leased vehicle observed recently in his driveway. Special Agent SUHR took the tape recorder back to his car and then returned to his seat at the table. While Special Agent SUHR had been outside, Special Agent ENGELBART observed Judge SERAPHIM get up from his table and leave the dining area. Special Agent ENGELBART left the table and went into the main lobby area. When Special Agent ENGELBART passed an unoccupied dining area located between the main dining area and the main bar, Special Agent ENGELBART observed FRANK BALISTRIERI and Judge SERAPHIM in deep conversation. Special Agent ENGELBART

was unable to overhear the conversation. Special Agent ENGELBART also observed BALISTRIERI and Judge SERAPHIM leave this dining area and proceed to the main bar where they conversed together. After a few minutes, Judge SERAPHIM, carrying a drink, returned alone to his table. Special Agent ENGELBART then returned to the table. While the agents and their wives were talking, DR. LEONE came over to where Special Agent SUHR and his wife were seated. Special Agent SUHR'S wife asked DR. LEONE if he had ever met Special Agent SUHR'S wife's husband, to which DR. LEONE replied that he had at one time at SALLY'S STEAK HOUSE. In small talk, DR. LEONE stated that he and his wife had eaten at SALLY'S STEAK HOUSE on Friday (May 2, 1975) and that evening at TROVATO'S RESTAURANT on Farwell Avenue. DR. LEONE explained that was the reason they did not have dinner at the CENTRE STAGE PLAYHOUSE that evening. DR. LEONE then returned to his seat at the table.

2:00 a.m. The stage play was over and M[redacted] B[redacted], the star performer, remained on the stage and began ad libbing to the crowd. B[redacted] made several references to FRANK BALISTRIERI, among which he referred to FRANK BALISTRIERI as his good friend and the owner of the CENTRE STAGE DINNER PLAYHOUSE. B[redacted] also chided FRANK BALISTRIERI regarding the air conditioning system within the building. B[redacted] directed some remarks toward Judge SERAPHIM, and he also mentioned the EAGLES CLUB. When he did so, the persons seated at Judge SERAPHIM'S table applauded giving the agents the idea this group in some way possibly may have some association with the EAGLES.

2:15 a.m. B[redacted] had left the stage and the special agents and their wives joined the crowd in leaving the building. The agents observed Judge SERAPHIM and FRANK BALISTRIERI move toward the main bar area, but the agents decided not to go to the bar, since it appeared that most of the persons were leaving and it would be too obvious for them to stay and have a drink at the bar. Special Agent SUHR then drove Special Agent ENGELBART and his wife to the State Office Building parking lot where they parted and went home.

AFS:ms

OFFICE INFORMATION MEMO

FORM AD-2

TO:	Date	Time
FROM:	Of	
TELEPHONE: Area Code & Number	Ext.	Received By

☐ PLEASE CALL ☐ RETURNING YOUR CALL

☐ WILL CALL AGAIN ☐ CALLED TO SEE YOU

PLEASE:

☐ COMMENT
☐ NOTE
☐ SEE ME
☐ INVESTIGATE
☐ TAKE NECESSARY ACTION
☐ APPROVE
☐ SIGN
☐ REVISE
☐ PREPARE REPLY FOR MY SIGNATURE
☐ REPLY DIRECTLY
☐ ROUTE TO:

AND:

☐ RETURN
☐ FILE

REMARKS /MESSAGES

STRICT CONFIDENCE

Contact Director Before

Disclosing this Report.

(Per last paragraph on Page 2.)

DUPLICATING:

_____ NO. OF COPIES

TYPING:

_____ DATE NEEDED ☐ SINGLE SPACE ☐ FINAL COPY

☐ ROUGH DRAFT ☐ DOUBLE SPACE ☐ CARBONS _____

Crime Intelligence Unit and had been furnished with "old background" information from the Minnesota Attorney General's Office files to assist them in establishing an organized intelligence file with respect to organized crime contacts in the Minneapolis area. FRANK BALISTRIERI'S name appears in these records. To the best of J[redacted] recollection his name appears in their files based on information provided by our organization. The Minnesota Attorney General's Office does not have any current information on FRANK BALISTRIERI since the surveillance of BALISTRIERI'S release from Sandstone Prison. This information has previously been furnished to our Bureau. Special Agent STEINGRAEBER inquired if B[redacted] J[redacted] had identified the unidentified individual who had reportedly met with FRANK BALISTRIERI at the Airport in Minneapolis after his discharge from Sandstone. MR. J[redacted] advised that to date they have been unable to identify this person.

TJS:ms

Kathy - OC/R

ORGANIZED CRIME SECTION

INACTIVE

s of 9-8-75, with las'

serial OC-1-183 if any

serials are added or inquires mad

notify S/A Luhr

CASE ACTIVITY REPORT
DJ-DCI-2 (Rev. 4/74)

Wis. .nsin Department of Justice
DIVISION OF CRIMINAL INVESTIGATION

1. Case Number	2. Date	3. Case Title
OC-1	5-12-75	FRANK P. BALISTRIERI

4. Activity	5. Date of Activity
Surveillance	May 3 and 4, 1975

6.

On May 3, 1975, Special Agents ALFRED F. SUHR and HAROLD S. ENGELBART, accompanied by their wives, attended the CENTRE STAGE DINNER PLAYHOUSE for the purpose of observing the activities of FRANK P. BALISTRIERI who was to meet that evening with Milwaukee County Circuit Court Judge CHRIST T. SERAPHIM.

Shortly after midnight, S/A SUHR left the CENTRE STAGE THEATRE and proceeded to the parking lot south of the CENTRE STAGE located on the corner of North 2nd Street and West Michigan, where S/A SUHR took down various license plate numbers of vehicles parked in the lot, and which are listed to the following:

B494/74 -- B[redacted] L[redacted], [redacted], Milwaukee, '74 Lincoln 4door (reference 34-3-78; OC-36-42; OC-19-52)

Z67-102/75 -- UPTOWN MOTORS, INC., 2111 N. Mayfair, Milwaukee, '75 Lincoln, 2 door (reference OC-1-101(3))

V64-899 -- DEL CHEMICAL CORPORATION, W148N9332 Nor-X-Way, Menomonee Falls,

B29-105 -- M[redacted] H[redacted], Garity Road, Manawa (negative)

GG4707/76 -- G[redacted] H[redacted], [redacted], Milwaukee '70 Cadillac, 4 door (negative)

S22-968 -- SELIG EXECUTIVE LEASING CO., INC., 2510 S. 108th, West Allis

C40-079 -- M[redacted] D[redacted] [redacted], South Milwaukee (negative)

T82-352 -- J[redacted] F[redacted], [redacted], Menomonee Falls (negative)

UA3129 -- MILWAUKEE RENTALS, INC. 340 W. Wisconsin Avenue, Milwaukee

Z67-614/75 -- W[redacted] P[redacted], [redacted], Hales Corners '72 Buick, 4 door (negative)

L88-975 -- B[redacted] S[redacted], [redacted], Oshkosh((negative)

After taking the above license plate numbers, S/A SUHR proceeded to the parking lot to the rear and across the alley from the CENTRE STAGE THEATRE and took down the following license plate numbers which are listed to the following:

7. Agents

Alfred F. Suhr

RECEIVED MAY 23 1975

Special Agents Alfred F. Suhr and Harold S. Engelbart

This document contains neither recommendations nor conclusions of the Division of Criminal Investigation, Wisconsin Department of Justice. It is the property of this Division and is loaned to your agency. Its contents are not to be distributed outside your agency.

OC-1-172

G1212 -- G[redacted] B[redacted], [redacted], South Milwaukee (negative)

B82-020 -- JOSEPH F. or E.L. DENTICE, [redacted], Milwaukee

AFS:lfs

2

CASE ACTIVITY REPORT
DJ-DCI-2 (Rev. 4/74)

Wisconsin Department of Justice
DIVISION OF CRIMINAL INVESTIGATION

1. Case Number	2. Date	3. Case Title
OC-1	5-19-75	FRANK BALISTRIERI - OC Intelligence

4. Activity	5. Date of Activity
Interview - Telephone	May 16, 1975

6.

Director KRUSCHE received a telephone call at about 2:00 p.m., this date from a man who identified himself as B[redacted] (ph). B[redacted] advised that FRANK BALISTRIERI has a financial interest in the "THIS IS IT" tavern located at 418 East Wells Street. The man identifying himself as B[redacted] said that if Director KRUSCHE would meet him at the THIS IS IT tavern at about 9:00 p.m., this date, he would give Director KRUSCHE additional information regarding FRANK BALISTRIERI'S interest in this particular tavern. Director KRUSCHE attempted to have MR. B[redacted] come into the Milwaukee office for the purpose of an interview but he refused to do so. Director KRUSCHE advised B[redacted] that it would be impossible to meet him at the tavern in question on this particular evening. MR. B[redacted] said he would call again sometime and make another appointment.

Director KRUSCHE received a similar call from another individual approximately a year ago. At the time of the earlier call, no meeting was attempted. Director KRUSCHE did stop at this particular tavern on two occasions about a year and a half ago but there was no indication that the tavern was a BALISTRIERI controlled premises. At the times that Director KRUSCHE stopped at this tavern, the business was very slow and it appeared that the premises was a hangout for homosexuals.

LEAD: Special Agent ENGELBART will order tavern license applications for this premises and periodic surveillances will be conducted by agents of the Organized Crime Bureau, around the premises to determine whether or not organized crime figures are frequenting this location.

(NOTE:) No prior intelligence was received that would indicate FRANK BALISTRIERI or any of his associates have an interest in this premises.

HLK:ms

7. Agents

Director Herbert L. Krusche HK

RECEIVED MAY 23 1975

This document contains neither recommendations nor conclusions of the Division of Criminal Investigation, Wisconsin Department of Justice. It is the property of this Division and is loaned to your agency. Its contents are not to be distributed outside your agency.

OC-1-173

CASE ACTIVITY REPORT
DJ-DCI-2 (Rev. 4/74)

Wis. .sin Department of Justice
DIVISION OF CRIMINAL INVESTIGATION

1. Case Number	2. Date	3. Case Title
OC-1	5-27-75	FRANK P. BALISTRIERI

4. Activity	5. Date of Activity
Review of Records	May 27, 1975

6.

On May 16, 1975, Director HERBERT L. KRUSCHE received a telephone call from a person identified only as B[redacted] (ph), advising that FRANK BALISTRIERI has a financial interest in the "THIS IS IT" tavern, 418 East Wells Street, Milwaukee. As a result of receiving this information, Director KRUSCHE ordered that the tavern license applications be ordered from the Alcohol & Tobacco Enforcement Bureau in Madison (OC-1-173).

On May 27, 1975, Special Agent ALFRED SUHR reviewed copies of the Alcohol Beverage License Application for the years beginning with license year July 1, 1970 through July 1, 1974, for THIS IS IT, INC., d/b/a THIS IS IT, 418 East Wells Street, Milwaukee, Wisconsin (copies attached). A review of these forms revealed that the following persons have been listed as officers of the corporation beginning with the license year July 1, 1972:

President -- DOMINIC LATONA, [redacted], Milwaukee, Wisconsin, SSN: [redacted]
Vice President -- JOSEPH T. BREHM, SR., [redacted], Milwaukee, Wisconsin
Secretary/Treasurer -- CATHERINE JUNE BREHM, [redacted], Milwaukee, Wisconsin, SSN: [redacted]
Agent -- MICHAEL S. LATONA, [redacted], Milwaukee, Wisconsin.

A check of the Milwaukee DCI Indices revealed that all of the above listed persons are negative in these files.

AFS:ms

7. Agents

Alfred F. Suhr

Special Agent Alfred F. Suhr.

RECEIVED JUN 2 1975

This document contains neither recommendations nor conclusions of the Division of Criminal Investigation, Wisconsin Department of Justice. It is the property of this Division and is loaned to your agency. Its contents are not to be distributed outside your agency.

OC-1-174

CC-21

RENEWAL ALCOHOL BEVERAGE LICENSE APPLICATION - PREPARE IN DUPLICATE

Original - White; Duplicate - Pink (City Clerk will send duplicate to Department of Justice, Division of Criminal Investigation, Madison, Wisconsin) HB

Type of License Applied For

CLASS "B" TAVERN
FEE $500.00
PUBL. 4.00
TOTAL $504.00

To the Common Council of the City of Milwaukee, Milwaukee County, Wisconsin:

I/We hereby apply for renewal of an Alcoholic Beverage license as indicated in the box on the right for the period from the 1 day of July 1974 through the thirtieth of June next.

A. Individuals and Partnerships:

Full Name(s)	Home Address	City & ZIP Code

Check one:
Individual: ☐
Partnership: ☐
Corporation: ☑

Fee must accompany application (Check or money order)

B. If a corporation, complete the following: If not, skip this section and proceed to Section "C".

Full Name of Corporation: "This Is IT" Inc

Address of Corporation (if different from licensed premises)

All Officers & Directors:

Title	Name	Home Address	City of Residence & ZIP Code
Pres.	DOMNIC LATONA	[redacted]	MILWAUKEE 53221
V/Pres.	JOSEPH T. BREHM SR.	[redacted]	MILWAUKEE, WI - 53202
Sec'y. Treas.	CATHERINE JUNE BREHM	[redacted]	MILWAUKEE - 53202
Agent	MICHAEL S. LATONA	[redacted]	MILWAUKEE 53221
Directors	THE OFFICERS		

C. 1. Business Address 418 E WELLS STREET FIRST FLOOR BASE STORAGE Ald. District Number 4

Description of Licensed Premises (Include Storage)

2. Business Telephone: [redacted] Trade Name: This Is IT, Inc.

3. Name and Address of Owner of Building: BERNARD DOYLE - GREAT MID-WEST SAVING + LOAN

Who owns the fixtures? This Is IT, Inc.

4. Since the filing of your last application, have you been convicted of violating any Federal, State or Local Laws? Yes ___ No ✓. If yes, explain on back of this form.

5. Except for question 4, have there been any changes in the answers to the questions as submitted by you on your last application for this license? (If no, write "no") YES - ADDRESS CHANGE UNDER B JOSEPH T. & CATHERINE J. BREHM - CHANGE OF ADDRESS - NOW AT [redacted] MILWIS - 53202

6. Do you have any bills of more than 15 days outstanding owing to any brewery or beer wholesaler? NO

7. Do you have any liquor bills of more than 30 days outstanding owing to any liquor wholesaler? NO

8. Do you understand that any license issued to you is void, if on the date of issuance you have any indebtedness of more than 15 days outstanding to any brewer, bottler or wholesaler of fermented malt beverages, or are indebted to a wholesaler for intoxicating liquor for a period of more than 30 days? YES

9. Your Wis. Seller's Permit Number 167668

STATEMENT ON BOTTOM OF REVERSE MUST BE COMPLETED AND SIGNED AS PART OF THIS APPLICATION

The undersigned, BEING FIRST DULY SWORN ON OATH, deposes and says that he is the person named in the foregoing application, that he has read each of the questions or statements in said application, that he has made a complete answer to each question or statement and that said answers in each instance are correct and true.

Subscribed and sworn to before me this 7 day of April 1974

[signature]

Notary Public, State of Wisconsin

My commission expires My Commission Expires Mar. 16, 1975

X [redacted]

PRESIDENT Applicant's Signature(s) and Social Security Number

SECRETA[redacted]

NOTE: Up to $500 penalty for submitting false statements and affidavits in connection with this application. Sec. 90-73.5 Milwaukee Code of Ordinances. State law provides penalties up to $2500 fine or 3 years.

Filed MAY 2 1974 Submitted to Common Council MAY 21 1974

License Number B 1128 Approved JUN 11 1974 City Clerk [signature]

TO BE COMPLETED IN DUPLICATE

LIQUOR LICENSE CORPORATIONS - STATEMENT OF STOCK OWNERSHIP

This statement is required by Section 90-8 of the Milwaukee Code (as amended on May 23, 1969) of all corporations applying for a liquor license in the city of Milwaukee.

Name of Corporation: This Is It, Inc

Address of Corporation: 418 E. Wells Street

AUTHORIZED SHARES: 2500 SHARES ISSUED: 2500

STOCKHOLDERS

Name [1st & Last-no initials]	Home Address [not business or office]	City & State	Number of Shares Held
DOMNIC LATONA			1250
CATHERINE JUNE BREHM			1250

[If more space is required, attach additional sheets in duplicate]

Explain below if any of the above shares are being held in trust for or on behalf of anyone not listed. [If "none", write "none"]

We understand that transfers of stock must be reported to the City Clerk within 48 hours after such transfer of stock.

Name of Corporation: This Is It, Inc

X [redacted]

[Signature of President]

[redacted]

[Signature of Secretary]

Subscribed and sworn to before me this 27 day of April 1974

[signature]

Notary Public, State of Wisconsin

My commission expires: My Commission Expires Mar. 16, 1975

This statement to be completed in duplicate and filed with the City Clerk, City of Milwaukee, Room 105, City Hall, 200 E. Wells Street, Milwaukee 53202.

NOTE: A penalty is provided for submitting false statements or affidavits per Section 90-73.5, Milwaukee Code

RENEWAL ALCOHOL BEVERAGE LICENSE APPLICATION - PREPARE IN DUPLICATE

Original - White; Duplicate - Pink. (City Clerk will send duplicate to Department of Justice, Division of Criminal Investigation, Madison, Wisconsin)

LB

CLASS "B" TAVERN	
FEE	$500.00
PUBL.	4.00
TOTAL	$504.00

To the Common Council of the City of M[illegible]ukee, Milwaukee County, Wisconsin:

I/We hereby apply for renewal of an Alcoholic Beverage license as indicated in the box on the right for the period from the 1st day of July 1973 through the thirtieth of June next.

A. Individuals and Partnerships:

Full Name(s)	Home Address	City & ZIP Code

Check one:
Individual: ☐
Partnership: ☐
Corporation: ☑

Fee must accompany application (Check or money order)

B. If a corporation, complete the following: If not, skip this section and proceed to Section "C".

Full Name of Corporation: This Is It, Inc

Address of Corporation (if different from licensed premises)

All Officers & Directors:

Title	Name	Home Address	City of Residence & ZIP Code
Pres.	DOMNIC LATONA	[redacted]	MILWAUKEE 53221
V/Pres.	JOSEPH T. BREHM, SR	[redacted]	MILWAUKEE 53202
Sec'y.	CATHERINE J. BREHM	[redacted]	MILWAUKEE 53202
Treas.	CATHERINE J. BREHM	[redacted]	
Agent	MICHAEL S. LATONA	[redacted]	MILWAUKEE 53221
Directors	Dominic Latona, Catherine [redacted] B[redacted] + J[redacted] [redacted] B[redacted]		

C. 1. Business Address 418 E. WELLS ST. MILWAUKEE WIS. Ward Number 4th

Description of Licensed Premises (Include Storage) FIRST FLOOR BASEMENT STORAGE

2. Business Telephone: [redacted] Trade Name: This Is It Inc

3. Name and Address of Owner of Building: Great Mid West Savings + Loan 420 E. Wells

Who owns the fixtures? This Is It, Inc

4. Since the filing of your last application, have you been convicted of violating any Federal, State or Local Laws? Yes ___ No ✓ If yes, explain on back of this form.

5. Except for question 4, have there been any changes in the answers to the questions as submitted by you on your last application for this license? (If no, write "no") YES - CHANGE OF ADDRESS OF JOSEPH T. BREHM + CATHERINE J. BREHM FROM JUNEAU VILLAGE TO PRESENT ADDRESS - [redacted] #21 - ZIP 53202

6. Do you have any bills of more than 15 days outstanding owing to any brewery or beer wholesaler? NO

7. Do you have any liquor bills of more than 30 days outstanding owing to any liquor wholesaler? NO

8. Do you understand that any license issued to you is void, if on the date of issuance you have any indebtedness of more than 15 days outstanding to any brewer, bottler or wholesaler of fermented malt beverages, or are indebted to a wholesaler for intoxicating liquor for a period of more than 30 days? YES

9. Your Wis. Seller's Permit Number 162668

The undersigned, BEING FIRST DULY SWORN ON OATH, deposes and says that he is the person named in the foregoing application, that he has read each of the questions or statements in said application, that he has made a complete answer to each question or statement and that said answers in each instance are correct and true.

Subscribed and sworn to before me this 3rd day of May 1973.

[signature]

Notary Public, State of Wisconsin

My commission expires My Commission Expires Mar. 16, 1975

Applicant's Signature(s) and Social Security Number

x Dominic Latona 398-30-3874

PRESIDENT

Catherine June Brehm 388-05-1974

SECRETARY

NOTE: Up to $500 penalty for submitting false statements and affidavits in connection with this application. Sec. 90-73.5 Milwaukee Code of Ordinances. State law provides penalties up to $2500 fine or 3 years.

Filed MAY 15 1973 Submitted to Common Council MAY 22 1973

License Number B-1120 Approved JUN 12 1973 City Clerk [signature]

TO BE COMPLETED IN DUPLICATE

LIQUOR LICENSE APPLICANTS - CORPORATIONS - STATEMENT OF STOCK OWNERSHIP

This statement is required by Section 90-8 of the Milwaukee Code of Ordinances, as amended on May 23, 1969, of all corporations applying to the City of Milwaukee for a liquor license

Name of Corporation: THIS IS IT, INC

Address of Corporation: 411 E. WELLS ST 53202

AUTHORIZED SHARES: 2500 SHARES ISSUED: 2500

STOCKHOLDERS

Name (First & Last-No initials)	Home Address (not business or office)	City & State	Number of Shares held
DOMINIC LATONA	[redacted]	MILWAUKEE, WIS	1250
CATHERINE JUNE BRECHM	[redacted]	MILWAUKEE, WIS	1250

(If more space is required, attach additional sheets in duplicate)

Explain below if any of the above shares are being held in trust for or on behalf of anyone not listed. (If "none," write "none.")

None.

We understand that transfers of stock must be reported to the City Clerk within 48 hours after such transfer of stock.

Name of Corporation: This Is It Inc

X [redacted]
(Signature of President)

[redacted]
(Signature of Secretary)

Subscribed and sworn to before me this 9th day of May 1973

Notary Public, Milwaukee County, Wis.
My commission expires: My Commission Expires Mar. 16, 1975

This statement to be completed in duplicate and filed with the City Clerk, City of Milwaukee, Room 105, City Hall, 200 E. Wells Street, Milwaukee, Wis. 53202.

NOTE: A penalty is provided for submitting false statements or affidavits-Sec 90-73.5, Milwaukee Code.

ALCOHOL BEVERAGE
LICENSE APPLICATION
Form DJ-E 176-A
Department of Justice
Division of Criminal Investigation

Rec'd

PREPARE IN DUPLICATE
ORIGINAL - WHITE
DUPLICATE - PINK

HB

Put Your Sales Tax Seller Permit No. Here 162668

Type of License Applied

Class "B" Tavern
Fee $500.00
Publ. 3.00
Total: $503.00

To the Common Council of the City of Milwaukee, Milwaukee County, Wisconsin:
We hereby apply for an Alcoholic Beverage license as indicated in the box on the right for the period from the 1st day of July 1972 through the thirtieth day of June next.

1. NAME OF APPLICANT: (Print names and addresses)
   (a) Full name of Corporation THIS IS IT, INC
   (b) Address of Corporation 418 E. WELLS ST
   (c) Date and place of organization AUGUST 10, 1970 MILWAUKEE, WIS
   (d) Officers and Directors: Full Names Home Addresses and Zip Code
   President DOMINIC LATONA [redacted] MILWAUKEE, WIS 53221
   Vice-President JOSEPH T. BREHM [redacted] MILWAUKEE, WIS 53202
   Secretary CATHERINE J. BREHM [redacted] MILWAUKEE, WIS 53202
   Treasurer CATHERINE T. BREHM [redacted] MILWAUKEE, WIS 53202
   Director(s) DOMINIC LATONA, JOSEPH T. BREHM, C[redacted] B[redacted]
   Agent MICHAEL S. LATONA [redacted]
   (An agent must be appointed for Class A liquor, Class B liquor, Class B fermented malt beverage by completing Form DJ-E-179-A Schedule X)
   Will you apply for a Federal Tax Stamp for the license period requested? YES
2. LOCATION AND DESCRIPTION OF PREMISES FOR WHICH APPLICATION IS MADE: (Include all rooms directly or indirectly accessible from the barroom proper and under the dominion of the licensee.)
   (a) Street Number [redacted] Ward 4th
   (b) Trade Name of Establishment THIS IS IT, INC
   (c) Physical description of building, buildings, or premises BRICK FIRST FLOOR & BASE. STORAGE
   (d) Is any other business conducted on same premises? YES If so, explain RESTAURANT
   (e) Who owns the fixtures? THIS IS IT, INC
3. Was this location licensed for beer or liquor during the past year? YES If so, give full name and address of person occupying above premises the past year THIS IS IT INC
4. Has this corporation ever been charged with any federal, state or local Law violations? No
   If so, give complete detail on offenses:
5. Have you applied for, or do you hold or have any interest in any other alcoholic beverage license or wholesaler's permit in Wisconsin? No. If yes, specify kind and place
6. Do you have any bills of more than 15 days outstanding owing to any brewery or beer wholesaler? No. Do you have any liquor bills of more than 30 days outstanding owing to any liquor wholesaler? No. Do you understand that any license issued to you is void, if, on the date of issuance, you have any indebtedness of more than 15 days outstanding to any brewer, bottler, or wholesaler of fermented malt beverages, or are indebted to a wholesaler for intoxicating liquor for a period of more than 30 days? YES

The undersigned, being first duly sworn on oath say that they are respectively the President and Secretary of the corporation named in the foregoing application, that they have read each of the questions of said application, that they have made complete answer to each such question, and that said answers in each instance are true and correct.
(NOTARY MUST ADMINISTER OATH)

Subscribed and sworn to before me
this 31st day of May 1972

[redacted]
President

[redacted]

Notary Public, State of Wisconsin.
My commission expires: My Commission Expires Mar. 16, 1973

NOTE: Up to $500 penalty for submitting false statements and affidavits in connection with this application. Section 90-73.5 Milwaukee Code or Ordinances. State law provides penalties up to $2500 fine or 3 years.

Date Filed MAY 31 1972

Submitted To Common Council JUN 5 - 1972

Receipt Number

Approved JUN 20 1972

License Number B1829

City Clerk

CC-194
DJ-E-179-A
Department of Justice
Division of Criminal Investigation

PREPARE IN DUPLICATE
ORIGINAL - WHITE
DUPLICATE - PINK

AGENT'S SCHEDULE X — Attach to Corporate Applications

All corporations applying for a license to sell fermented malt beverages and/or intoxicating liquor must appoint an agent pursuant to section 66.054(8)(a) and 176.05(13) Wis. Stat. The following questions must be answered by the agent and the appointment signed by 2 officers of the corporation, and the recommendation made by the Chief of Police.

Milwaukee, Wisconsin MAY 19, 1972

1. Name of Corporation: "this IS IT, INC"
2. Name of Agent MICHAEL S. LATONA Other corporate office —
3. Are you a full citizen of the United States? YES Of Wisconsin? YES Have you been a resident of the City of Milwaukee continuously for the past 12 months? YES
4. Your Age 61 Date of [redacted] Place of Birth MILWAUKEE, WIS
5. Place of residence last year? [redacted] - MILWAUKEE, WIS
6. Have you made, or are you making (during the current licensing period) application for or have any interest in any other alcoholic beverage license or wholesaler's permit in Wisconsin? NO If yes, specify kind and place
7. Have you ever been convicted of violating any Federal Laws anywhere? NO
   State Laws in this state or any other state? NO
   Local Ordinances? NO
   If yes, specify offenses, giving dates and places of conviction
8. Previous occupation? TAVERN OWNER

STATE OF WISCONSIN)
) SS
COUNTY OF MILWAUKEE)

The undersigned, being first duly sworn on oath, deposes and says that he is the person named in the foregoing Schedule X, that he has carefully read all questions asked in said schedule; that he has made complete answer to each such question, and that his said answers in each instance are true and correct. (NOTARY MUST ADMINISTER OATH)

Subscribed and sworn to before me this 19 day of May 1972

M.L. Michael S. Latona
Agent's Signature

John Lynn
Notary Public, Milwaukee County, Wisconsin
My commission expires: My Commission Expires Mar. 16, 1975

[redacted] - Milwaukee, Wis.
Home Address

APPOINTMENT OF AGENT

We hereby appoint the above as agent, pursuant to Sec. 66.054(8)(a) and 176.05(13) Wis. Stats. subject to approval of the Attorney General.

[redacted] [redacted] [redacted]
Signature of President (Date of Birth)

[redacted]
Signature of Secretary (Date of Birth)

I hereby accept the appointment as agent for this corporation and assume full responsibility for the busine[redacted]tive to alcoholic beverages.

Date May 19 1972

M.L. [redacted]
Agent

I hereby certify that I have checked city, state, and federal criminal records and find no felony convictions or repeated misdemeanor convictions for the above named president, secretary and proposed agent for above corporation, and that each of them is known to be of good moral character.

Signed Gregory F. Isermann
Chief of Police Captain of Police, 1st District Gregory F. Isermann Milwaukee Police Dept

Date Monday June 12, 1972

Approved in Madison, Wisconsin
on Thos. W. Warren JUN 22 1972
Attorney General

CC-133
DJ-E-178-A
Department of Justice
Division of Criminal Investigation
Enforcement Bureau

FILL OUT IN DUPLICATE

ORIGINAL - WHITE
DUPLICATE - PINK

SCHEDULE X—Attach to Partnership and Corporate Applications

Whenever an application is made by a partnership or corporation for a license to sell fermented malt beverages and/or intoxicating liquor, the following questions must be answered by each member of the partnership and, in case of a corporation, by each officer and director of the corporation.

Milwaukee, Wisconsin May 19 1972

1. Name and Address: (Please print)

Your Name JOSEPH (First) THOMAS (Middle) BREHM (Last)

Your Address [redacted] City MILWAUKEE Zip Code 53202

Your Age 65 Date of Birth [redacted] Place of Birth SHEBOYGAN, WI

2. Name of Partnership or Corporation THIS IS IT, INC

3. Official Capacity VICE-PRESIDENT

4. Are you a full citizen of the United States? YES Of Wisconsin? YES
Have you been a resident of the City of Milwaukee for the past 12 months? YES

5. Have you made, or are you making (during the current licensing period) application for or have any interest in any other alcoholic beverage license or wholesaler's permit in Wisconsin? NO
If yes, specify kind and place

6. Have you ever been convicted of violating any Federal Laws? NO State Laws? NO
Local Ordinances? NO If so, specify offenses, giving dates and places of conviction:

7. List in detail, for the past five years:

Your business or occupation	Name and Address of Employer	Dates
ESTIMATOR	MORGAN SASH + DOOR CO. WAUWATOSA	1/2/63 TO PRESE

STATE OF WISCONSIN)
)SS
COUNTY OF MILWAUKEE)

The undersigned, being first duly sworn on oath deposes and says that he is the person named in the foregoing Schedule X; that he has carefully read all the questions asked in said schedule, that he has made complete answer to each such question, and that his said answers in each instance are true and correct. (NOTARY MUST ADMINISTER OATH)

[redacted]

Subscribed and sworn to before me
this 19 day of May 1972

Notary Public, Milwaukee County, Wisconsin
My commission expires: My Commission expires Mar. 16, 1975

CC-193
DJ-E-178-A
Department of Justice
Division of Criminal Investigation
Enforcement Bureau

FILL OUT IN DUPLICATE

ORIGINAL - WHITE
DUPLICATE - PINK

SCHEDULE X—Attach to Partnership and Corporate Applications

Whenever an application is made by a partnership or corporation for a license to sell fermented malt beverages and/or intoxicating liquor, the following questions must be answered by each member of the partnership and, in case of a corporation, by each officer and director of the corporation.

Milwaukee, Wisconsin MAY 19 1972

1. Name and Address: (Please print)

Your Name CATHERINE (First) JUNE (Middle) BREHM (Last)

Your Address [redacted] City MILWAUKEE Zip Code 53202

Your Age 54 Date of Birth [redacted] Place of Birth PEORIA, ILLINOIS

2. Name of Partnership or Corporation THIS IS IT, INC.

3. Official Capacity SECRETARY-TREASURER

4. Are you a full citizen of the United States? YES Of Wisconsin? YES
Have you been a resident of the City of Milwaukee for the past 12 months? YES

5. Have you made, or are you making (during the current licensing period) application for or have any interest in any other alcoholic beverage license or wholesaler's permit in Wisconsin? NO
If yes, specify kind and place

6. Have you ever been convicted of violating any Federal Laws? NO State Laws? NO
Local Ordinances? YES If so, specify offenses, giving dates and places of conviction:
DRUNK DRIVING WAUKESHA, WIS
RECKLESS DRIVING WAUKESHA, WIS

7. List in detail, for the past five years:

Your business or occupation	Name and Address of Employer	Dates
LARIAT SUPPER CLUB	CO-OWNER	1967-1968-1969
RETIRED (HOUSE WIFE)		1969-1970
THIS IS IT, INC		AUG. 1970-PRESENT

STATE OF WISCONSIN)
)SS
COUNTY OF MILWAUKEE)

The undersigned, being first duly sworn on oath deposes and says that he is the person named in the foregoing Schedule X; that he has carefully read all the questions asked in said schedule, that he has made complete answer to each such question, and that his said answers in each instance are true and correct. (NOTARY MUST ADMINISTER OATH)

[redacted]

Subscribed and sworn to before me
this 17th day of May 1972

Notary Public, Milwaukee County, Wisconsin
My commission expires: My Commission Expires Mar. 16, 1975

CC-193
DJ-E-178-A
Department of Justice
Division of Criminal Investigation
Enforcement Bureau

FILL OUT IN DUPLICATE

ORIGINAL - WHITE
DUPLICATE - PINK

SCHEDULE X—Attach to Partnership and Corporate Applications

Whenever an application is made by a partnership or corporation for a license to sell fermented malt beverages and/or intoxicating liquor, the following questions must be answered by each member of the partnership and, in case of a corporation, by each officer and director of the corporation.

Milwaukee, Wisconsin JUNE 1 1972

1. Name and Address: (Please print)

Your Name DOMNIC (First) SALVATORE (Middle) LATONA (Last)

Your Address [redacted] City MILWAUKEE Zip Code 53221

Your Age 38 Date of Birth [redacted] Place of Birth MILWAUKEE, WIS.

2. Name of Partnership or Corporation THIS IS IT, INC

3. Official Capacity PRESIDENT

4. Are you a full citizen of the United States? YES Of Wisconsin? YES
Have you been a resident of the City of Milwaukee for the past 12 months? YES

5. Have you made, or are you making (during the current licensing period) application for or have any interest in any other alcoholic beverage license or wholesaler's permit in Wisconsin? NO
If yes, specify kind and place

6. Have you ever been convicted of violating any Federal Laws? NO State Laws? NO
Local Ordinances? NO If so, specify offenses, giving dates and places of conviction:

7. List in detail, for the past five years:

Your business or occupation	Name and Address of Employer	Dates
LABORER	AMERICAN MOTOR	1960 TO PRESENT

STATE OF WISCONSIN)
)SS
COUNTY OF MILWAUKEE)

The undersigned, being first duly sworn on oath deposes and says that he is the person named in the foregoing Schedule X; that he has carefully read all the questions asked in said schedule, that he has made complete answer to each such question, and that his said answers in each instance are true and correct. (NOTARY MUST ADMINISTER OATH)

[redacted]
Your Signature

Subscribed and sworn to before me this 1st day of June, 1972

Donald [illegible]
Notary Public, Milwaukee County, Wisconsin
My commission expires: Oct 7, 1973

LICENSE DIVISION
ROOM 105 - CITY HALL
MILWAUKEE, WISCONSIN 53202

Division of Criminal Investigation
2nd Floor - Loraine Hotel
123 W. Washington Street,
Madison, Wisconsin 53703

Dear Sir: 6-12-72

In accordance with Sections 66.054 (8) and 176.05 (13) of the Wisconsin Statutes, referred herewith are original corporate application form and original and duplicate Agent's Schedule "X" forms of the following corporation for retail license:

Michael Latona, Agt., This Is It., Inc.

Kindly return these forms after same have been examined and agent has been approved.

Very truly yours,

H. H. Wolf

H. H. WOLF
Chief License Clerk
HHW/bjt

✓ President ✓✓ Director(s)
✓ Vice President ✓ Trustee(s)
✓ Secretary ✓ Agent
✓ Treasurer

JUN 16 1972

To: CIIC/Frank Beck
A. Lucey

RE: This is it, Inc.
C. Milwaukee

~~X~~ NEW X RENEWAL

Files have been checked on the agent, corporation, officers with the following results.

(No Record) for Agent, Officers, and Corporation
Agent's Record (5-17-69) Arrest of Joseph Brehm Sr. amended to Michael Latona (not a lic. at the time) for refilling (176.341)
Record of Corporation
Officers Date Section 6-16-72-ecr

FRANK BECK Approve Agt - 6/22/72 - F. J. Beck

RENEWAL ALCOHOL BEVERAGE LICENSE APPLICATION - PREPARE IN DUPLICATE
Original - White; Duplicate - Pink. (City Clerk will send duplicate to Department of Justice, Division of Criminal Investigation, Madison, Wisconsin)

LB
Class "B" Tavern
Fee $500.00
Publ. 3.00
Total: $503.00

To the Common Council of the City of Milwaukee, Milwaukee County, Wisconsin:
I/We hereby apply for renewal of an Alcoholic Beverage license as indicated in the box on the right for the period from the 1st day of July 1971 through the thirtieth of June next.

A. Name and Home Address of Applicant(s): (Individual & Partnership)

Check one:
Individual: ☐
Partnership: ☐
Corporation: ☑

B. If a corporation, complete the following: If not, skip this section and proceed to Section "C" of this form.

Full Name of Corporation: This Is It, Inc.
Address of Corporation (if different from licensed premises) 418 E. Wells St.
All Officers & Directors:

Title	Name	[redacted]	City of Residence
Pres.	Dominic Latona		Milwaukee Wis.
V/Pres.	VACANT		
Sec'y.	Margaret Latona		Milwaukee Wisc
Treas.	Michael S. Latona		Milwaukee Wisc
Agent	Michael S. Latona		Milwaukee Wisc
Directors	the officers		

C. 1. Business Address [redacted] Ward Number 4
Description of Licensed Premises (Include Storage) Brick Bldg FIRST FLOOR + BASE STOR.
2. Business Telephone: 273-9730 Trade Name: This Is It Inc
3. Name and Address of Owner of Building: Mr. B[redacted] D[redacted]
Who owns the fixtures? The Corporation
4. Since the filing of your last application, have you been convicted of violating any Federal, State or Local Laws? Yes ___ No ✓. If yes, explain on back of this form.
5. Except for question 4, have there been any changes in the answers to the questions as submitted by you on your last application for this license? (If no, write "no") no
6. Do you have any bills of more than 15 days outstanding owing to any brewery or beer wholesaler? no
7. Do you have any liquor bills of more than 30 days outstanding owing to any liquor wholesaler? no
8. Do you understand that any license issued to you is void, if on the date of issuance you have any indebtedness of more than 15 days outstanding to any brewer, bottler or wholesaler of fermented malt beverages, or are indebted to a wholesaler for intoxicating liquor for a period of more than 30 days? yes
9. Your Wis. Seller's Permit Number 162668

The undersigned, BEING FIRST DULY SWORN ON OATH, deposes and says that he is the person named in the foregoing application, that he has read each of the questions or statements in said application, that he has made a complete answer to each question or statement and that said answers in each instance are correct and true.

Subscribed and sworn to before me this 10th day of May 1971.

John Sergin
Notary Public, State of Wisconsin
My commission expires My Commission Expires Mar. 16, 1975

X [redacted]
X PRESIDENT
X SECRETARY

NOTE: Up to $500 penalty for submitting false statements and affidavits in connection with this application. Sec. 90-73.5 Milwaukee Code of Ordinances. State law provides penalties up to $2500 fine or 3 years.

Filed MAY 14 1971 Submitted to Common Council MAY 17 1971

License Number B-1116 Approved JUN 10 1971 City Clerk Ray Markey

CC 191 - CORPORATION
ALCOHOL BEVERAGE
LICENSE APPLICATION
Form DJ-E 176-A
Department of Justice
Division of Criminal Investigation
[redacted]

PREPARE IN DUPLICATE
ORIGINAL - WHITE
DUPLICATE - PINK

Put Your Sales Tax Seller's Permit No. Here

Type of License Applied For
Class B Tavern
Fee $500.00
Publ: 3.00
Total: $5.00

Change

LB

To the Common Council of the City of Milwaukee, Milwaukee County, Wisconsin: Issued 7-21-70
We hereby apply for an Alcoholic Beverage license as indicated in the box on the right for the period from the 1st day of July 1971 through the thirtieth day of June next.

1. NAME OF APPLICANT: (Print names and addresses)
(a) Full name of Corporation This Is It, Inc.
(b) Address of Corporation 418 East Wells Street, Milwaukee, Wisconsin
(c) Date and place of organization June 18, 1970, Milwaukee, Wisconsin
(d) Officers and Directors:

	Names	Addresses
President	Dominic Latona	[redacted], Milwaukee, Wisconsin
Vice-President	Vacant	
Secretary	Margaret Latona	[redacted], Milwaukee, Wisconsin
Treasurer	Michael Latona	[redacted], Milwaukee, Wisconsin
Director(s)	Dominic Latona, Margaret Latona, & M[redacted] I[redacted]	
Agent	Michael Latona	[redacted], Milwaukee, Wisconsin

(An agent must be appointed for Class A liquor, Class B liquor, Class B fermented malt beverage by completing Form DJ-E-179-A Schedule X)
Will you apply for a Federal Tax Stamp for the license period requested? Yes

2. LOCATION AND DESCRIPTION OF PREMISES FOR WHICH APPLICATION IS MADE: (Include all rooms directly or indirectly accessible from the barroom proper and under the dominion of the licensee.)
(a) Street Number 418 East Wells Street, Milwaukee, Wisconsin Ward 4
(b) Trade Name of Establishment This Is It, Inc.
(c) Physical description of building, buildings, or premises Brick
(d) Is any other business conducted on same premises? No If so, explain
(e) Who owns the fixtures? Milwaukee Federal Saving and Loan 432 East Wells, Milwaukee, Wis.

3. Was this location licensed for beer or liquor during the past year? Yes If so, give full name and address of person occupying above premises the past year C.R.V. Inc. 418 East Wells St., Milwaukee, Wis.

4. Have you applied for, or do you hold or have any interest in any other alcoholic beverage license or wholesaler's permit in Wisconsin? No If yes, specify kind and place

5. Do you have any bills of more than 15 days outstanding owing to any brewery or beer wholesaler? No Do you have any liquor bills of more than 30 days outstanding owing to any liquor wholesaler? Do you understand that any license issued to you is void, if, on the date of issuance, you have any indebtedness of more than 15 days outstanding to any brewer, bottler, or wholesaler of fermented malt beverages, or are indebted to a wholesaler for intoxicating liquor for a period of more than 30 days?

STATE OF WISCONSIN)
)SS
COUNTY OF MILWAUKEE)

THIS IT IT INC.
Name of Corporation

The undersigned, being first duly sworn on oath say that they are respectively the President and Secretary of the corporation named in the foregoing application, that they have read each of the questions of said application, that they have made complete answer to each such question, and that said answers in each instance are true and correct. (NOTARY MUST ADMINISTER OATH)

Subscribed and sworn to before me this 29 day of June 1970

[signature]
Notary Public, Milwaukee County, Wisconsin.
My commission expires: [illegible]

[redacted]
President

[redacted]
Se[redacted]

NOTE: Up to $500 penalty for submitting false statements and affidavits in connection with this application. Section 90-73.5 Milwaukee Code or Ordinances. State law provides penalties up to $2500 fine or 3 years.

Date Filed JUN 30 1970
Receipt Number 14
License Number B1882

Date Reported to Common Council JUN 30 1970
Date Approved JUL 21 1970 Issued JUL 21 1970
City Clerk [signature]

CC-194
DJ-E 279-A
Department of Justice
Division of Criminal Investigation
[redacted]

PREPARE IN DUPLICATE

ORIGINAL - WHITE
DUPLICATE - PINK

AGENT'S SCHEDULE X — Attach to Corporate Applications

All corporations applying for a license to sell fermented malt beverages and/or intoxicating liquor must appoint an agent pursuant to section 66.054(8)(a) and 176.05(13) Wis. Stat. The following questions must be answered by the agent and the appointment signed by 2 officers of the corporation, and the recommendation made by [redacted] of Police.

Milwaukee, Wisconsin 19 70

1. Name of Corporation: This Is It, Inc.
2. Name of Agent Michael Latona Other corporate office None
3. Are you a full citizen of the United States? Yes Of Wisconsin? Yes Have you been a resident of the City of Milwaukee continuously for the p[redacted] Yes
4. Your Age 59 Date of Bi[redacted] Place of Birth Milwaukee, Wisconsin
5. Place of residence last year? [redacted] Milwaukee, Wisconsin
6. Have you made, or are you making (during the current licensing period) application for or have any interest in any other alcoholic beverage license or wholesaler's permit in Wisconsin? No If yes, specify kind and place .....
7. Have you ever been convicted of violating any Federal Law? No State Law? Yes Local Ordinances? Yes If yes, specify offenses, giving dates and places of conviction As former operator of tavern convicted Waukesha County, transferring liquor to another bottle, fined $150.00, 1968 or 1969 & traffic violations
8. Previous occupation? Tavern Operator, Waukesha County, and prior to that truck driver

STATE OF WISCONSIN)
)SS
COUNTY OF MILWAUKEE)

The undersigned, being first duly sworn on oath, deposes and says that he is the person named in the foregoing Schedule X; that he has carefully read all questions asked in said schedule; that he has made complete answer to each such question, and that his said answers in each instance are true and correct. (NOTARY MUST ADMINISTER OATH)

[redacted]

Subscribed and sworn to before me
this 24 day of June 19 70

[redacted]
Signature

Notary Public, Milwaukee County, Wisconsin
My commission expires: [signature]

[redacted] Milwaukee, Wisconsin
Home Address

APPOINTMENT OF AGENT

We hereby appoint the above as agent, pursuant to Sec. 66.054(8)(a) and 176.05(13) Wis. Stats. subject to approval of the Attorney General.

[redacted]
Signature of President (Date of Birth)

[redacted]
Signature of S[redacted]etary (Date of Birth)

I hereby accept the appointment as agent for this corporation and assume full responsibility for the business relative to alcoholic beverages.

Date ..... 19 .....

[redacted]

I hereby certify that I have checked city, state, and federal criminal records and find no felony convictions or repeated misdemeanor convictions for the above named president, secretary and proposed agent for above corporation, and that each of them is known to be of good moral character.

Signe[redacted]

Approved in Madison, Wisconsin JUL 24 1970 Captain of [redacted]

on Robert W. Warren Date [illegible]

CC-193
DJ-E-178-A
Department of Justice
Division of Criminal Investigation
~~Enforcement Bureau~~

FILL OUT IN DUPLICATE

ORIGINAL - WHITE
DUPLICATE - PINK

SCHEDULE X—Attach to Partnership and Corporate Applications

Whenever an application is made by a partnership or corporation for a license to sell fermented malt beverages and/or intoxicating liquor, the following questions must be answered by each member of the partnership and, in case of a corporation, by each officer and director of the corporation.

Milwaukee, Wisconsin June 29 1970

1. Name and Address: (Please print)

Your Name Dominic Latona

Your Address [redacted] City Milwaukee

Your Age 37 Date of Birth [redacted] Place of Birth Milwaukee

2. Name of Partnership or Corporation This Is it, Inc.

3. Official Capacity President

4. Are you a full citizen of the United States? Yes Of Wisconsin? Yes
Have you been a resident of the City of Milwaukee for the past 12 months? Yes

5. Have you made, or are you making (during the current licensing period) application for or have any interest in any other alcoholic beverage license or wholesaler's permit in Wisconsin? No
If yes, specify kind and place

6. Have you ever been convicted of violating any Federal Laws? No State Laws? No
Local Ordinances? No If so, specify offenses, giving dates and places of conviction:

7. List in detail, for the past five years:

Your business or occupation	Name and Address of Employer	Dates
American Motors Corp.	[redacted]	1957–1970

STATE OF WISCONSIN)
)SS
COUNTY OF MILWAUKEE)

The undersigned, being first duly sworn on oath deposes and says that he is the person named in the foregoing Schedule X; that he has carefully read all the questions asked in said schedule, that he has made complete answer to each such question, and that his said answers in each instance are true and correct. (NOTARY MUST ADMINISTER OATH)

[redacted]
Your Signature

Subscribed and sworn to before me
this 29 day of June 1970

Notary Public, Milwaukee County, Wisconsin
My commission expires

CC-193
DJ-E-178-A
Department of Justice
Division of Criminal Investigation
~~Enforcement Bureau~~

FILL OUT IN DUPLICATE

ORIGINAL - WHITE
DUPLICATE - PINK

SCHEDULE X—Attach to Partnership and Corporate Applications

Whenever an application is made by a partnership or corporation for a license to sell fermented malt beverages and/or intoxicating liquor, the following questions must be answered by each member of the partnership and, in case of a corporation, by each officer and director of the corporation.

Milwaukee, Wisconsin June 29 1970

1. Name and Address: (Please print)

Your Name MARGARET LATONA [redacted]

Your Address [redacted] City Milwaukee, Wisconsin

Your Age 60 Date of Birth [redacted] Place of Birth MILWAUKEE

2. Name of Partnership or Corporation This Is It, Inc.

3. Official Capacity Secretary

4. Are you a full citizen of the United States? Yes Of Wisconsin? Yes
Have you been a resident of the City of Milwaukee for the past 12 months? Yes

5. Have you made, or are you making (during the current licensing period) application for or have any interest in any other alcoholic beverage license or wholesaler's permit in Wisconsin? No
If yes, specify kind and place

6. Have you ever been convicted of violating any Federal Laws? No State Laws? NO
Local Ordinances? No If so, specify offenses, giving dates and places of conviction:

7. List in detail, for the past five years:

Your business or occupation	Name and Address of Employer	Dates
HOUSE WIFE		

STATE OF WISCONSIN)
)SS
COUNTY OF MILWAUKEE)

The undersigned, being first duly sworn on oath deposes and says that he is the person named in the foregoing Schedule X; that he has carefully read all the questions asked in said schedule, that he has made complete answer to each such question, and that his said answers in each instance are true and correct. (NOTARY MUST ADMINISTER OATH)

[redacted]

Subscribed and sworn to before me
this 29 day of June, 1970

Notary Public, Milwaukee County, Wisconsin
My commission expires:

To: LICENSE DIVISION
City Clerk's Office
Milw, Wisconsin

Date 6-29-70

This is to certify that THIS IS IT INC.,
D/B/A THIS IS IT INC.
at 4186 WELLS,
in MILW, Wisconsin, has this date paid the $2.00 application fee and has met the security requirements; and upon receipt of the application, Central Compliance will issue a seller's permit.

WISCONSIN DEPARTMENT OF REVENUE

R Siehoff
(Asst.) Field Compliance Supervisor

RECEIVED
AUG 3 1970
CRIMINAL INVESTIGATION
MILWAUKEE

New-Red
Same-Blue

____ President
____ Vice-Pres.
____ Secretary
____ Treasurer

____ Director(s)
____ Trustee(s)
____ Agent

____ Complete Renewal

____ Change of Agent

____ No Agent appointed or approved last year.

DATE: 7-17-70

TO: Mr. Meyers
Miss Lucey

RE: This Is It, Inc.
C. Milwaukee

X New ____ Renewal

Files have been checked on the agent, corporation, officers, with the following results.

(No Record ✓) for Agent, officers, or corporation.

Agent's Record:
6-10-69 Michael Latona arrested for refilling; fined $150 + costs. (Waukesha Co.)
~~No Record~~
No reference

ROUTE TO:

Licensing Section 7-17-70-rk
BW
Enforcement Operations 7-21-70
JS
Crime Intelligence Information Center 7-23-70

COMMENTS and/or any record for corporation or officers and directors: ____

OFFICE OF THE CITY CLERK
ROOM 205 - CITY HALL
MILWAUKEE, WISCONSIN 53202

Director, Enforcement Bureau
Division of Criminal Investigation
2nd Floor - Loraine Hotel
123 W. Washington Street,
Madison, Wisconsin 53703

7-10-70

Dear Sir:

In accordance with Sections 66.054 (8) and 176.05 (13) of the Wisconsin Statutes, referred herewith are original corporate application form and original and duplicate Agent's Schedule "X" forms of the following corporation for retail license:

Michael Latona, Agt., This Is It, Inc.

Kindly return these forms after same have been examined and agent has been approved.

Very truly yours,

RAY MARKEY
City Clerk

HHW/bjt

RECEIVED
JUL 13 1970
DIVISION

DJ-E-200

INSPECTION REPORT

Wisconsin Department of Justice
ENFORCEMENT BUREAU D.C.I.
123 W. Washington Ave., 2nd Floor
Madison, Wisconsin 53703

Date: 12-12-72 County: Milwaukee
Licensee: (THIS IS IT INC
Corporation agent: LATONA, MICHAEL S
Address of premises: 4188 Wells St
Municipality: C Milwaukee
Class of license(s): LB
Date of Issuance: 7-1-72
Trade Name: THIS IS IT

Seller's Permit number: 162668
Seller's Permit to: Same
Number of employees:

Licensing — Alcoholic Beverages	Yes	No
1. Licenses properly issued?	✓	
2. Licenses issued to actual operator of premises?	✓	
3. Federal Tax Stamp issued in exact name of licensee?	✓	
4. Federal Tax Stamp number: receipt		
5. Licenses framed and/or posted as required by law?		✓
6. Premises also licensed as a restaurant?	✓	
7. Business other than restaurant conducted on licensed premises?		✓
Compliance		
8. Unstamped liquor found?		✓
9. Was any liquor confiscated?		✓
10. Was hold-order placed on liquor?		✓
11. Liquor stamps and labels defaced on empty bottles?	✓	✓
12. Empty liquor bottles broken?	✓	
13. Wine tax stamps on empty wine cartons defaced?	✓	
14. Labels on liquor and wine cartons defaced?	✓	
15. Proof of age Register available?		✓
16. Age register properly maintained?	—	
17. Was Williams Test conducted?		✓
18. Did Williams Test show any irregularity?		✓
19. Was any contaminated liquor found?	✓	
20. Was it destroyed by person in charge of the premises?	✓	
Draught Beer		
21. Multiple brands?	✓	
22. Do brands and taps agree?	✓	
Pharmacists		
23. Is pharmacist's register up-to-date?		
24. Does pharmacist's liquor display comply with law?		
Cigarettes		
25. Cigarette license issued in exact name of tavern licensee?	✓	
26. Cigarette machine(s)?	✓	
27. Owner Wisconsin Novelty		
28. Cigarette vending machine number, if applicable 34		
29. Machine serviced by Owner		
30. Is tax indicia visible?	✓	
31. [redacted]		

Invoices	Yes	No
32. Invoices on premises?	✓	
33. Invoices retained on licensed premises for 2 years as required by law?	✓	
34. Invoices properly prepared?	✓	✓
35. Invoices retained in sequence for: Liquor?	✓	
Beer?	✓	
Cigarettes?	—	
Oleomargarine		
36. Does establishment traffic in oleomargarine?		
37. Are oleomargarine tax stamps affixed? (if ordered held or seized submit Memo)		
Sanitation	S	U
38. Is sanitizing agent used for glasses and utensils?	✓	
39. Drainboard and rinse tanks clean?	✓	
40. Sanitary condition of walk-in cooler?	✓	
41. Other coolers?	✓	
42. Licensed areas, including restrooms and storage areas?	✓	

Comments

(5) - Frame and post your licenses.

(19-20) Dumped 1 Bottle - Fruit Flies

(34) 2 Wholesalers

(15-4) Get a proof of age registry

Amusements
Wisconsin Novelty
Seeburb - Phono - 1

(11) Scratch tax stamps + label immediately upon emptying liquor bottles.

[redacted] member licensee's immediate family

Investigator

Time In 1:10 PM Time Out 1:50 PM

B

DJ-E-200

INSPECTION REPORT

Wisconsin Department of Justice
ENFORCEMENT BUREAU D.C.I.
123 W. Washington Ave., 2nd Floor
Madison, Wisconsin 53703

Ward 4

New

Date: 9-11-70 County: Milwaukee
Licensee: 415 Is It Inc
Corporation agent: LATONA, MICHAEL
Address of premises: 418 E Wells St
Municipality: C Milwaukee
Class of license(s): LB
Date of Issuance: 7-21-70
Trade Name: THIS IS IT

Seller's Permit number: 162668
Seller's Permit to: This is IT Inc
Number of employees: 4

Licensing — Alcoholic Beverages	Yes	No
1. Licenses properly issued?	✓	
2. Licenses issued to actual operator of premises?	✓	
3. Federal Tax Stamp issued in exact name of licensee?	✓	
4. Federal Tax Stamp number: 282674		
5. Licenses framed and/or posted as required by law?	✓	
6. Premises also licensed as a restaurant?	✓	
7. Business other than restaurant conducted on licensed premises?		✓
Compliance		
8. Unstamped liquor found?		✓
9. Was any liquor confiscated?		✓
10. Was hold-order placed on liquor?		✓
11. Liquor stamps and labels defaced on empty bottles?	✓	
12. Empty liquor bottles broken?	✓	
13. Wine tax stamps on empty wine cartons defaced?	✓	
14. Labels on liquor and wine cartons defaced?	✓	
15. Proof of age Register available?	✓	✓
16. Age register properly maintained?		
17. Was Williams Test conducted?		✓
18. Did Williams Test show any irregularity?		✓
19. Was any contaminated liquor found?		✓
20. Was it destroyed by person in charge of the premises?		✓
Draught Beer		
21. Multiple brands?	✓	
22. Do brands and taps agree?	✓	
Pharmacists		
23. Is pharmacist's register up-to-date?	X	X
24. Does pharmacist's liquor display comply with law?	X	X
Cigarettes		
25. Cigarette license issued in exact name of tavern licensee?	✓	
26. Cigarette machine(s)?	✓	
27. Owner Wisconsin Novelty		
28. Cigarette vending machine number, if applicable 54		
29. Machine serviced by Owner		
30. Is tax indicia visible?	✓	
31. Were any cigarettes seized? [redacted]		✓

[redacted]
member licensee's immediate family

Investigator

Time In 2:45 Time Out 3:25

Invoices	Yes	No
32. Invoices on premises?	✓	
33. Invoices retained on licensed premises for 2 years as required by law?	✓	
34. Invoices properly prepared?	✓	
35. Invoices retained in sequence for: Liquor?	✓	
Beer?	✓	
Cigarettes?	✓	
Oleomargarine		
36. Does establishment traffic in oleomargarine?	X	X
37. Are oleomargarine tax stamps affixed? (if ordered held or seized submit Memo)	X	X
Sanitation	S	U
38. Is sanitizing agent used for glasses and utensils?	✓	
39. Drainboard and rinse tanks clean?	✓	
40. Sanitary condition of walk-in cooler?	✓	
41. Other coolers?	✓	
42. Licensed areas, including restrooms and storage areas?	✓	

Comments Succeeds CRV Inc

(15) Get a proof of age registry.

RL

ACHE 37789-7½1

DATE	FEDERAL LICENSE NOS. BEER	FEDERAL LICENSE NOS. LIQUOR	LOCAL LICENSE NOS. BEER	LOCAL LICENSE NOS. LIQUOR	DATE	FEDERAL LICENSE NOS. BEER	FEDERAL LICENSE NOS. LIQUOR	LOCAL LICENSE NOS. BEER	LOCAL LICENSE NOS. LIQUOR
7-1-69			X	X					

"The Establishment"

STREET AND NO. OR EXACT LOCATION: 418 East Wells Street

MUNICIPALITY: C. Milwaukee

COUNTY: Milwaukee

NAME: Agt: Richard Vick

C. R. V., INC.

VIOLATIONS 1	2	3	4	5	6	CONVICTIONS 1	2	3	4	5	6	CLASS OF ESTABLISHMENT TAV.	RES.	HOT.	CL'B.	GROC.	D.S.	B.S.	WHL.	CODE MIS.	COUNTY
																				LB	40

ACHE 37790-7½1

DATE CALLED	INSPECTOR	CONDITION FOUND	DATE CALLED	INSPECTOR	CONDITION FOUND
7-1-69	License Started				
1-7-70	LeDuc	memo			
6-30-70	License Expired				
7-21-70	Licensed to	This Is It Inc			

CORRESPONDENCE/MEMORANDUM — STATE OF WISCONSIN

Date: October 18, 1976 File Ref: OC-1

To: File

From: Special Agent Harold S. Engelbart

Subject: IRS Inquiry

On October 14, 1976, Special Agent R. WAYNE SAUBERT with the U.S. Internal Revenue Service contacted Special Agent ENGELBART in regard to intelligence pertaining to FRANK P. BALISTRIERI.

Special Agent ENGELBART advised Mr. SAUBERT that a brief intelligence report regarding the BALISTRIERI family's current activities had been recently put together. SAUBERT reviewed a copy of that report dated August 26, 1976. SAUBERT asked if he could have copies of the portions of that report that pertained to a review of civil litigation pending against the BALISTRIERIS in Milwaukee County and the information pertaining to employees at the SHORECREST HOTEL and CENTRE STAGE DINNER PLAYHOUSE.

Special Agent ENGELBART stated that problems could result with DCI reports being put in the files of IRS and later being demanded under the Freedom of Information Act. SAUBERT stated that he would use the portions of Special Agent ENGELBART'S report only as notes.

Special Agent ENGELBART contacted Director NELSON and advised him of SAUBERT'S request and Director NELSON approved providing copies of portions of that report which did not have DCI identifying data on it.

On October 15, 1976, modified copies of pages 13 through 15 and pages 19 through 31 were sent to Special Agent SAUBERT.

HSE:sk

RECEIVED OCT 21 1976

AD-75

NEWSPAPER CLIPPING
DJ-DCI-43 (Rev. 6/73)

WISCONSIN DEPARTMENT OF JUSTICE
DIVISION OF CRIMINAL INVESTIGATION

'The Outfit' Cheats Us of Millions

By Richard L. Kenyon
of The Journal Staff

Organized crime in Milwaukee is a flourishing multimillion dollar a year business with thousands of people at the bottom contributing their money to a handful of bosses at the top.

That business, according to most law enforcement agencies, is strong and diverse and classic by definition of organized crime.

The organization is called variously the Mob, the Syndicate, the Mafia or La Cosa Nostra. In Milwaukee, what the public regards as that mysterious, exciting and menacing organization is called The Outfit.

But, whatever it's called, it's an illegal business that thrives on the nickels and dimes of many people, most of them poor, who buy illegal 50 cent lottery tickets, $30 prostitutes and $15 bags of marijuana and place $2 bets.

Unwilling Support

Less willing contributors to Milwaukee's crime enterprise are the victims of its burglaries, small businessmen burdened by pressures and fears of extortion, and clients of loan sharks.

Willing or not, they are the supporters of the Frank Piccioles, Royce Halls, Leroy Bells, Steve Halmos and Vince Manjacis of this community, all of whom have been convicted recently of various offenses described as organized criminal activity.

Federal and state authorities do not believe that these men are at the top of Milwaukee's crime structure but that the crime bosses, who grant franchises for activities throughout the city or directly control them, are.

Usually Protected

These bosses skim profits from the gambling, prostitution, extortion, loan sharking and fencing in Milwaukee and they are usually well protected from prosecution.

Getting to the bosses and pinning down their power structures are not easy things to do, police authorities say.

According to these authorities, the bosses are protected by the advice of sophisticated lawyers, buffered by extremely loyal subordinates and by the threat of injury or death to those who know their activities.

Recent arrests and convictions of persons involved with

Turn to page 24, col. 1

RECEIVED JUN 9 1975

COMMENTS:

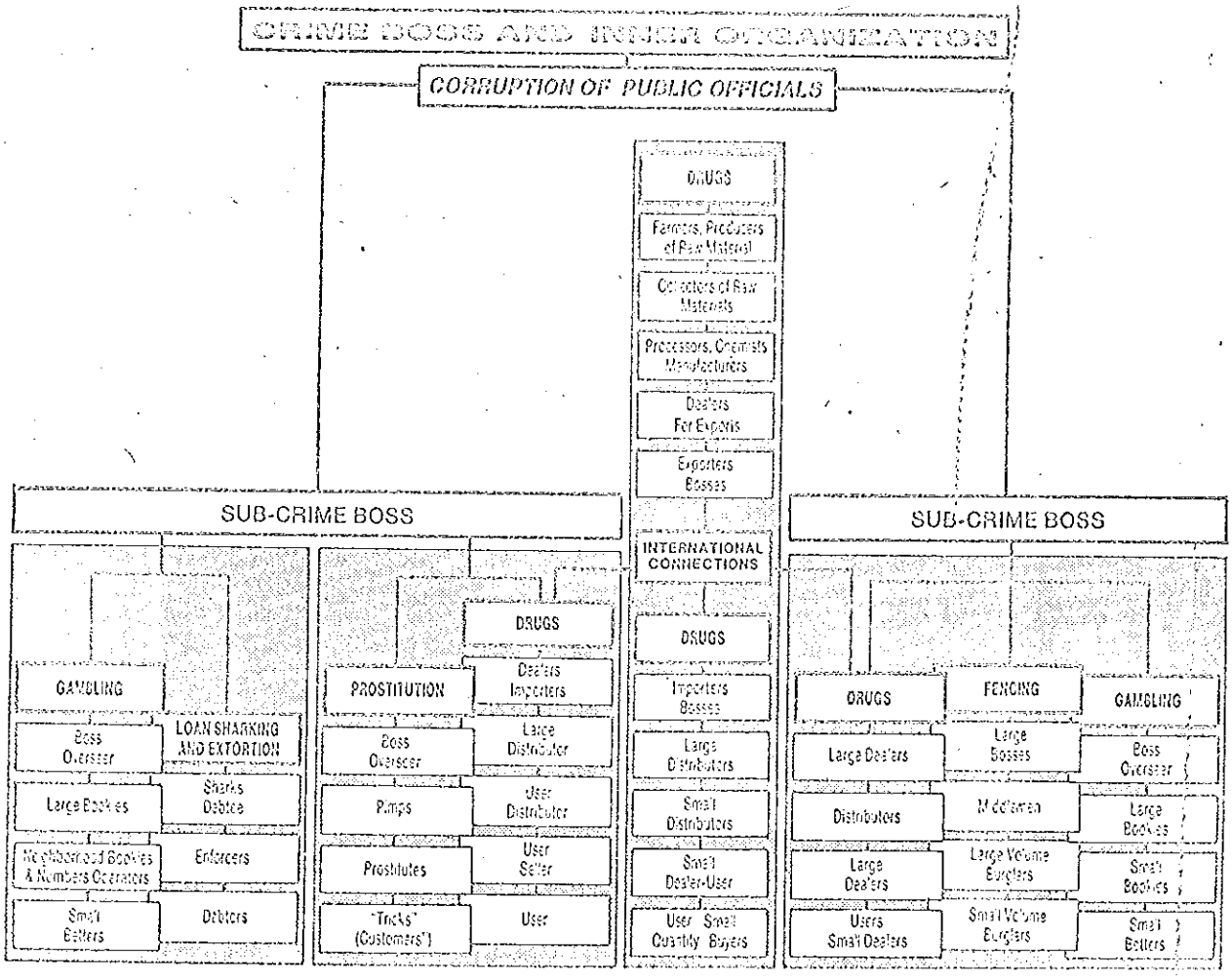
XC - Zaworski - 2-19-80 - 90

DATE: June 1, 1975
PUBLICATION: Milwaukee Journal

	O.C.	V.A.	S.A.	D.D.	A.T.	F.M.
COORDINATION:						

SUBMITTING UNIT: Milwaukee office
CIIC FILE NUMBER: OC-1-175

Bosses Skim Profits of Organized Crime



—*By a Journal Artist*

FLOW OF CRIME — This chart represents the likely flow and structure of organized crime in Milwaukee. The structure here is believed to be similar to that of other large cities, but smaller. The chart demonstrates that organized crime begins with small, usually poor people at the bottom and works its way up to the bosses at the top who make large profits and take fewest risks.

From page 1

organized crime have given police a better look at the structures of organized crime.

However, the publicity from those arrests while pleasing to law enforcement people, causes crime bosses to twitch.

Rule Violated

A law enforcement agent said:

"The bosses of crime in Milwaukee didn't like the fact that their people had violated one of organized crime's few commandments, 'Thou shalt not get headlines.'

"Publicity of organized crimes arouses the public," he said, "and an aroused public is a cancerous threat to organized crime. It tends to force public officials to concede that organized crime exists and then forces them to do something about it."

Admissions about organized crime from public officials — state and county lawmakers, aldermen, bureaucratic leaders — do not come easily, many law enforcement officials complain.

Without giving specifics, sources say that some public officials and community leaders do not want to say there is organized crime here because they are part of the system.

Direct Benefits

"There are those public leaders who benefit directly from organized crime," a state authority explained. "For payoffs and favors, they help organized criminal heads to launder their illegally obtained money in public contracts or private enterprise, or simply fail to push investigations. It's the concept that organized crime cannot exist without organized public corruption."

Perhaps more pervasive is the idea that, if officials admit that organized crime exists, it is an admission that their city is not as clean as they want the public to believe and that perhaps they are not doing all they can to make their city better.

No Evidence

Police Chief Harold A. Breier has said in the past that there is no evidence that organized crime exists here.

"Prostitution and gambling are not flourishing," Breier was quoted as saying several years ago. "There definitely is no evidence of loan sharking, no terrorism and no one is paying tribute to stay in business. It's immaterial whether it is organized crime. We fight all crime."

A reporter attempted numerous times to reach Breier last week to see whether his opinion had changed in five years. The attempts were unsuccessful.

Through recent John Doe and grand jury investigations, police officials have seen some levels of organized crime up close.

What they have seen are clever business men and women. Whites and blacks. Italians, Germans, Irish. Jews, Catholics and Protestants.

Billions in Profit

They are described as the people who make up a confederation of illegal entrepreneurs whose profits nationally are billions of dollars.

They use legal business maneuvers to increase their profits. They also rely on the use of force and threats and human fears to protect their illegal profit making activities and stabilize their organization. And they insulate themselves still further through corruption of public officials.

Thomas P. Schneider, head of the Organized Crime Unit of the district attorney's office, defined organized crime as "an organization of closely knit persons, working together to violate the law for purposes of profit."

Difficult to Estimate

Law enforcement agencies agree that it is extremely difficult to give reasonable estimates of just how much money is handled by organized criminals. However, the estimates run from $75 million to $100 million, and perhaps more, in Milwaukee over a year's time.

> "... some public officials have been unwilling to admit that it exists."
>
> —An unnamed public official

Another description of persons in organized crime was outlined in a presentence report on Price Sykes Jr., 25, convicted recently of soliciting a prostitute and possession of heroin.

Testimony during his trial revealed that several prostitutes told police they had made about $80,000 in the last few years and had given most of the money to Sykes.

Presentence Report

His presentence report stated:

"... Although he is not at the top of organized crime ... he is well up in the ranks. The defendant did not involve himself in crime in the street. He used others to practice the crimes themselves while he organized the operations and made a great deal of profit from the operation ...

"... the defendant represents the worst element of our society. He encourages others to commit crimes, takes lesser risks himself, and makes a great deal of profit from his crimes ... He and others like him appeared to be living proof that crime does pay and it pays well, much better than almost any legitimate position to which a youngster from the Inner City might aspire."

Schneider describes all organized criminal activity in terms of pyramids with small bettors, customers of prostitutes, victims of burglaries, buyers of small quantities of narcotics at the bottom.

Higher on the pyramid and fewer in number are the bookies, prostitutes and pimps, burglars and small fences, the small dealers.

The higher in the ranks, the fewer are the chances for arrest and prosecution, the stronger the isolation from exposure and the greater the profits.

Close to Top

Closer to the top of the pyramids are the overseers of the bookies and pimps, the loan sharks, larger fences with perhaps interstate connections and large dealers and possibly importers of narcotics.

Police have been able to penetrate the level of overseers, large fences and large dealers of drugs.

Law enforcement has been able to creep into the pyramids by the use of undercover officers, informants, electronic surveillance and careful protection of witnesses.

Case Is Helpful

"The men at the top have not been touched," a federal authority said, "because they do not dirty their hands directly with criminal activity. They control the activity and use underlings to do their dirty work for them. Then they threaten those subordinates to such a degree that they won't tell who's giving the orders."

The penetration into the pyramids of prostitution and extortion was recently made with the conviction of Leroy Bell, 43, former manager of the Tender Trap tavern, 514 E. Center St., for soliciting a prostitute, pandering and threatening to injure a witness.

During his trial and sentencing, suggestions were made that Bell was involved with higherups in organized crime.

At the time, Bell's attorney, Dominic H. Frinzi, challenged statements made in a presentence report. Frinzi suggested that Schneider, who prosecuted Bell, be put on the witness stand to testify about the report.

Schneider told the judge:

"Your honor, I don't know if Mr. Frinzi would like me to have the Department of Justice document the times and places he (Bell) has met with Frank Balistrieri. I will, but I don't think that's a relevant issue at the time of sentencing."

Balistrieri, 57, a former Milwaukee nightclub operator, was released from prison in April, 1972, after serving 10 months of a year sentence for income tax evasion.

In January, 1973, he testified before a grand jury investigating organized crime in Miami.

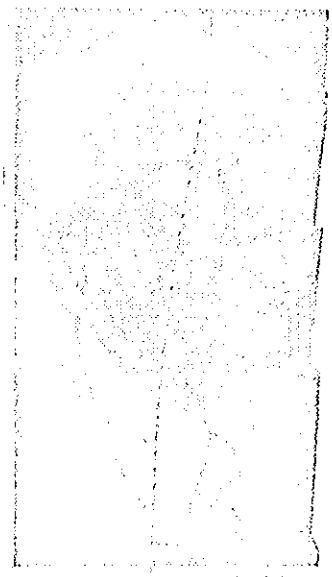
Sources said that Bell was connected with widespread activities of prostitution, netting hundreds of thousands of dollars annually.

Other references from several police agencies in the presentence report, which was filed as a public record with the court, were:

"Leroy Bell is the man to see in Milwaukee in regards to prostitution activity and that Mr. Bell had control of organized prostitution activity . . . Mr. Bell has been seen with known La Cosa Nostra figures . . .

". . . Mr. Bell has been seen with several organized crime figures and has been involved with individuals who have been under intensive investigations by this (Federal Bureau of Investigation) department . . .

". . . Mr. Bell is deeply involved with La Cosa Nostra organization. (A Milwaukee police officer) described Mr. Bell as a heavy gambler who has been known to lose a great deal of money and mentions possible narcotic activity. . . ."



Frank P. Balistrieri

Convicted with Bell of soliciting a prostitute was James Jennaro, 45, manager of Sally's Steak House, 1028 E. Juneau Ave. Jennaro received a year term at the House of Correction under the Huber Law, a year's probation and a $1,000 fine.

He was also recently charged by both state and federal governments, along with Sally Rapia, 43, owner of the popular Juneau Ave. restaurant, and four others, in connection with an alleged arson and extortion plot.

In the presentence report on Jennaro, he was described as a "principal figure in organized and syndicated crime in Milwaukee and possibly interstate."

Associates Listed

Listed as associates of Jennaro in the report were Frank Balistrieri and Frank Buccieri, brother of the late Chicago crime figure, Fiore (Fifi) Buccieri. Frank Buccieri was described as a "known loan shark and theft convict from Chicago."

Other names listed as Jennaro associates were Steve Halmo, Vincent Maniaci and Frank Picciolo.

The arrest of convicted gambler Halmo, 52, demonstrates how law enforcement officials believe there is an overlap of higher level crime in gambling, extortion and loan sharking.

Halmo was accused of lending a man $1,500 and then threatening his life in an attempt to collect the debt.

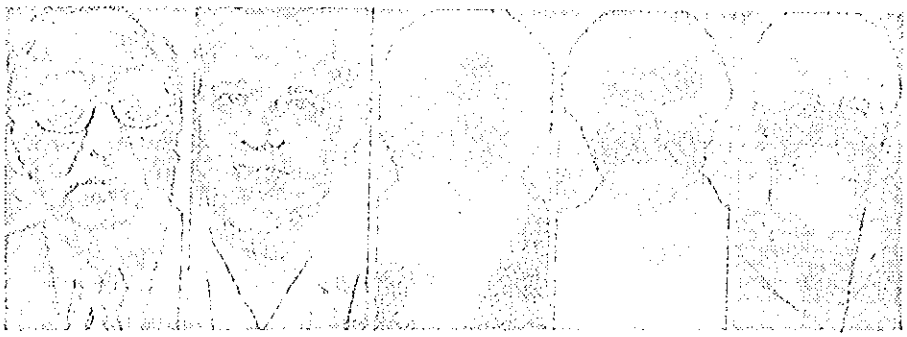
Halmo allegedly demanded a 45% interest rate on the loan, and he supposedly had loans

Turn to Crime, page 25, col. 1

4

Crime

Recent Convictions Shed Light on Operations



Maniaci *Halmo* *Bell* *Picciolo* *Hall*

From page 24

out totaling more than $20,000.

The federal charge of extortionate credit transaction involving this incident was dismissed, and Halmo pleaded guilty to a federal gambling charge. He had also been found guilty of failing to file income tax returns for 1968.

In 1973 Halmo was convicted on state charges of commercial gambling and accused of having taken bets in a single month totaling more than $224,000.

Example Given

Frequently, gambling, loan sharking and extortion go hand in hand. For instance, a high level bookmaker is owed a substantial amount of money by a gambler who suffered large losses. The bookmaker is also a loan shark, and he extends credit at high interest rates to the gambler. The gambler doesn't pay up on schedule, and extortion or threat of injury is applied to collect the loan.

Extortion is one of organized crime's mainstays.

It is a way of collecting illegally incurred debts and obtaining money from businessmen by threats of personal injury and property loss. It also keeps members of the organization in line.

Extortion can overlap with the crime of handling stolen property.

For example, Vincent J. Maniaci, 55, owner of Little Caesar's cocktail lounge, 1758 N. Water St., was recently found guilty in Federal Court of loan extortion and interstate transportation of stolen goods.

Threat Described

According to testimony in the case, Maniaci loaned Philip J. Blake more than $2,000 and then threatened Blake's life in an attempt to collect the loan.

Blake testified that he was followed, beaten and threatened at gunpoint by men under orders from Maniaci.

The case also involved the theft of four mink coats. Blake, driving the truck containing the minks to Milwaukee from Chicago, said that Maniaci had pressured him into stealing the coats.

As a result of a John Doe investigation into burglary, 28 persons were convicted. Thirty-four people were convicted out of a grand jury that probed gambling on sporting events.

> *"I do not see organized crime dying here."*
>
> —Dist. Atty. McCann

The convictions of Jennaro, Bell and Sykes arose from a John Doe into prostitution. And the charges against Mrs. Papia, Jennaro and four others came out of a state John Doe proceeding and a federal grand jury.

From the burglary John Doe, convictions were obtained against Frank Picciolo, 45, and Royce M. Hall, 36. They have been depicted by police as major fences in Milwaukee, dealing with the receipt and sale of stolen property valued at hundreds of thousands of dollars.

2½ Year Sentence

Two years ago Picciolo was charged with possession of more than a pound of cocaine with a street value estimated at about $50,000.

In the aftermath of that charge, Picciolo was given 2½ year sentence for placing a drug in a public place. Evidence during that trial showed that Picciolo had attempted to make a drug transaction with Leroy Bell. Picciolo had obtained the drug while in Bogota, Colombia.

Sources said that in the activities of gambling, prostitution and the handling of stolen property, a few crime bosses get percentages. In return, the crime bosses permit lower echelon crime co-ordinators to operate and, at times, they pro-

6

vide necessary funding and legal help to allow continued operations.

However, the involvement and assistance of the few Milwaukee crime bosses in the trafficking of drugs are not clear.

Drug trafficking, by definition, is organized criminal activity. It requires large and small dealers, importers, distributors and users.

Widespread Traffic

Drug traffic is diverse and widespread. It is popular, and drugs are marketed to suit different tastes and incomes. Drug dealing is primarily operated by independents and freelancers, police sources said.

There is no central control of drug traffic in Milwaukee, they reported.

However, sources say that at times crime figures in gambling and prostitution have dealt in drugs and that, to a lesser degree, large crime bosses have supplied the money to buy large quantities of drugs.

Traffic in drugs by some independent dealers involves millions of dollars.

Schneider said his office had seen the personal records of one large Milwaukee dealer whose narcotics business — most of it in cocaine — amounted to more than $6 million in the last two years.

Public officials said that progress in the war against organized crime in Milwaukee had been made but that the extent of that progress was difficult to measure.

Herbert L. Krusche, director of the Organized Crime Bureau of the State Justice Department, said:

"Corporations are a good example of the use by the sophisticated criminal of a legal entity for illegal purposes. The formation and use of the corporation for criminal purposes offers distinct advantages to the criminal:

"A corporation, under the law, is defined as a legal person, but a corporation cannot be put in jail.

Liabilities Limited

"Individual liabilities are limited to only 10% of the value of the stock owned by an individual.

"Manipulation of corporate bank accounts and investments of the corporation permits laundering of dirty money, skimming of funds, use of money for personal expenses not related to business operation, and the takeover of other businesses and corporations."

Some Slowup

Some sources have said that recent convictions of organized criminals slowed things up for a while but that the activity continues.

Dist. Atty. E. Michael McCann said:

"I do not see organized crime dying here. It will become increasingly more sophisticated, because there is more money in crimes without violence."

Another public official, who asked that he not be identified, said:

"Organized crime in Milwaukee is allowed to grow, hurting the public, because some public officials have been unwilling to admit that it exists.

"What's needed is a co-ordinated effort on the parts of all law enforcement agencies to rid this city of the men at the top of organized crime and the public officials they corrupt."

CASE ACTIVITY REPORT
DJ-DCI-2 (Rev. 4/74)

Wis sin Department of Justice
DIVISION OF CRIMINAL INVESTIGATION

1. Case Number	2. Date	3. Case Title
OC-1	6-10-75	FRANK BALISTRIERI

4. Activity	5. Date of Activity
Interview	May 30, 1975

6.

Director KRUSCHE had lunch with Milwaukee County Assistant District Attorney THOMAS SCHNEIDER on this date. SCHNEIDER advised that his current John Doe investigation into organized prostitution in Milwaukee has very interesting leads to FRANK BALISTRIERI. SCHNEIDER said that with some work he believes FRANK BALISTRIERI could be tied into a conspiracy charge with LEROY BELL and others who have operated as prostitutes out of some of the BALISTRIERI nightclubs in the past several years. SCHNEIDER further advised that he has attempted to subpoena FRANK BALISTRIERI to his John Doe investigation but that he has run into problems with Circuit Judge CHRIST SERAPHIM who is the presiding judge. SCHNEIDER said that he advised SERAPHIM that he wanted to subpoena FRANK BALISTRIERI but that SERAPHIM told him under no circumstances was FRANK BALISTRIERI to be subpoenaed. SCHNEIDER said that SERAPHIM would give him no reason but that he was advised that BALISTRIERI would not be a witness in the John Doe investigation. SCHNEIDER advised that organized prostitution is a problem in Milwaukee and that additional work should be done by using a John Doe inquiry. SCHNEIDER said that he is seriously thinking about closing up the current John Doe and starting a new one after a short period of time with another judge, so that he subpoena FRANK BALISTRIERI and associates of his for the purpose of determining whether or not charges could be brought against some of those in the BALISTRIERI organization.

Assistant District Attorney SCHNEIDER is the lead attorney in the Milwaukee County District Attorney's Organized Crime Section.

HLK:ms

7. Agents

RECEIVED JUN 18 1975

Director Herbert L. Krusche

This document contains neither recommendations nor conclusions of the Division of Criminal Investigation, Wisconsin Department of Justice. It is the property of this Division and is loaned to your agency. Its contents are not to be distributed outside your agency.

OC-1-176

By John C[illegible]

A CRISIS of identity confronts the Chicago crime syndicate in the wake of Sam [Mooni] Giancana's murder.

The authorities say it remains to be seen whether the shooting death of the syndicate's 67-year-old senior director was a symptom or a cause of a peculiar malady.

What is clear, however, is a mood of confusion and anxiety. A "where-do-I-stand-from-here?" attitude has befallen the ranks of low and middle-management mobsters since the hit on Giancana June 19 in the basement of his Oak Park fortress.

DEFINITELY, MOB watchers say the same mood and attitude has had no apparent effect on the top syndicate bosses, such as Anthony Accardo, 69, and Joseph Aiuppa, 67. Their complacency in the golden years also may explain the problem.

Adding to the confusion among junior mob executives is the widely held belief that one of Giancana's own henchmen, at a welcome home party for him following gall bladder surgery, may have pulled the trigger.

Police suspect he was shot to prevent him from possibly divulging secrets to a federal grand jury probing the flow of mob cash out of the country for investment abroad.

NOT THE THING also raised a motive stemming from U. S. Senate disclosures of Giancana's alleged cameo role in a plot by the Central Intelligence Agency to murder Cuban Premier Fidel Castro in 1961.

Whatever the reason, mob watchers say the abrupt departure of the once powerful boss underscores a festering turmoil in the mob over its seeming lack of unity, direction, and new operating blood.

As they see it, the cause for unrest behind the identity crisis is the reluctance of Accardo, Aiuppa, and 15 other upper echelon bosses of the Chicago mob to share their power with younger and more ambitious men.

This, along with the deaths of Giancana, elder statesman Paul Ricca, and leaders such as Fiore Buccieri, Felix Alderisio, Sam Battaglia, Ross Prio, and Dominic Brancato in recent years, has left the ranks short of leadership.

MOST OF THE bosses still around are old enough for Social Security. Among them:

○ Aiuppa, still struggling as the dictatorial operating director, who he reportedly yearns for retirement.

○ Ralph Piscia, 71, and James Cecrera, 69, both still clinging to what is left of gambling in the Loop and on the South Side, where black gangs mostly run it now.

○ Dominic Difiella, 73, and Joseph Amato, 65, going nowhere with North Side rackets, with Difiella years away from retirement of Accardo.

BUT WHILE Accardo and the others sit tight, some middle-level mobsters suddenly have begun flexing their muscles.

The Tribune learned that whatever mourning there was for Giancana ended the day after his funeral Monday, when no less than 30 hoodlums from Chicago and Milwaukee made a rare appearance together at a private Lake Geneva, Wis., golf course.

Ostensibly, the event was billed as a testimonial to Chicago gangland figure Frank Buccieri, who has opened a restaurant in Milwaukee.

But to lawmen, it may have signaled the start of an alliance of criminals in both cities strong enough to challenge the old dons.

Chicago Tribune — June 29, 1975

RECEIVED JUL - 7 1975

OC — 1 — 177

Anthony Accardo
Age 67, Chairman

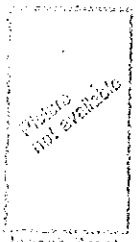
Joseph Aiuppa
67, day to day
operating director,

Senior directors:

Jack Cerone
60.

Sam Giancana**
67. Deceased

Chicago Heights and Calumet Heights bosses:



Joseph Aiello
59.

William DeLeno
61.

Dominic Di Bella
73.

Joseph DiVarco
63.

Leonard Patrick
61.

West Side and upper suburbs bosses:

Mario De Stefano
60.

Charles English
60.

Charles Nicoletti
58.

James Torello
44.

South Side and south suburbs bosses:

James Cotenna
59.

Ralph Emery
64.

[illegible]
71.

Based on police and federal information.

**Giancana was succeeded by Aiuppa as operating director after Giancana fled to Mexico to avoid Federal investigations in 1966. He returned to Chicago last year, but still has no real power.

Tribune Graphics

CASE ACTIVITY REPORT
DJ-DCI-2 (Rev. 4/74)

Wisconsin Department of Justice
DIVISION OF CRIMINAL INVESTIGATION

1. Case Number	2. Date	3. Case Title
OC-1	6-30-75	FRANK P. BALISTRIERI

4. Activity	5. Date of Activity
Review of Income Tax Returns	June 27, 1975

6.

On Friday, June 27, 1975, Research Analyst PATRICK RIOPELLE reviewed the income tax returns at the Department of Revenue Central Files in Madison and extracted the following:

Name: [redacted]
Address:

SSN:
Wife:
SSN:

1974

[redacted]

1973

[redacted]

1972 - Prepared by HARVEY F. MILLER, EXPERT INCOME TAX SERVICE, 4318 West Forest Home Avenue, Milwaukee, Wisconsin, 53219

[redacted]

PR:ms

7. Agents

Patrick Riopelle

Research Analyst Patrick Riopelle

RECEIVED JUL - 7 1975

This document contains neither recommendations nor conclusions of the Division of Criminal Investigation, Wisconsin Department of Justice. It is the property of this Division and is loaned to your agency. Its contents are not to be distributed outside your agency.

OC-1-178

CASE ACTIVITY REPORT
DJ-DCI-2 (Rev. 4/74)

Wis...sin Department of Justice
DIVISION OF CRIMINAL INVESTIGATION

1. Case Number	2. Date	3. Case Title
OC-1	7-01-75	FRANK BALISTRIERI

4. Activity	5. Date of Activity
Review of Income Tax Returns	June 27, 1975

6.

On Friday, June 27, 1975, Research Analyst PATRICK RIOPELLE travelled to Madison to review tax returns at the Department of Revenue Central Files. The following was extracted:

Name:
Address:

SSN:
Occupation:

[redacted]

1973

[redacted]

PR:ms

7. Agents

Patrick Riopelle

Research Analyst Patrick Riopelle

RECEIVED JUL - 7 1975

This document contains neither recommendations nor conclusions of the Division of Criminal Investigation, Wisconsin Department of Justice. It is the property of this Division and is loaned to your agency. Its contents are not to be distributed outside your agency.

OC-1-179

CASE ACTIVITY REPORT
DJ-DCI-2 (Rev. 4/74)

Wisconsin Department of Justice
DIVISION OF CRIMINAL INVESTIGATION

1. Case Number	2. Date	3. Case Title
OC-1	7-01-75	FRANK BALISTRIERI

4. Activity	5. Date of Activity
Review of Personal Income Tax Returns	June 27, 1975

6.

On Friday, June 27, 1975, Research Analyst PATRICK RIOPELLE reviewed the following income tax return at the Department of Revenue's Central Files in Madison and extracted the following:

Name:
Address:

SSN:
Occupation:

[redacted]

1973

[redacted]

1972

[redacted]

1971

[redacted]

7. Agents

Patrick Riopelle

Research Analyst Patrick Riopelle

RECEIVED JUL - 7 1975

This document contains neither recommendations nor conclusions of the Division of Criminal Investigation, Wisconsin Department of Justice. It is the property of this Division and is loaned to your agency. Its contents are not to be distributed outside your agency.

OC-1-180

1969

[redacted]

PR:ms

CASE ACTIVITY REPORT
DJ-DCI-2 (Rev. 4/74)

Wisconsin Department of Justice
DIVISION OF CRIMINAL INVESTIGATION

1. Case Number	2. Date	3. Case Title
OC-1	8-04-75	FRANK P. BALISTRIERI

4. Activity	5. Date of Activity
Service of Subpoena	August 1, 1975

6.

On Friday, August 1, 1975, Special Agents DONALD A. SCHMIDT and ALFRED F. SUHR located FRANK P. BALISTRIERI at the CENTRE STAGE DINNER PLAYHOUSE, 624 North 2nd Street, Milwaukee, Wisconsin. At approximately 5:00 p.m., SCHMIDT and SUHR approached BALISTRIERI, and his son, JOHN, a Milwaukee attorney, while they were seated in the CENTRE STAGE lobby, and SCHMIDT advised FRANK P. BALISTRIERI that he had a subpoena for him to appear at the Dane County John Doe on August 13, 1975, at 1:30 p.m. Attorney JOHN BALISTRIERI took the copy of the subpoena from SCHMIDT and identified himself as Attorney JOHN BALISTRIERI. SCHMIDT exhibited the original subpoena to FRANK P. BALISTRIERI and read the subpoena to him. Special Agent SUHR was present during the subpoena service.

After the subpoena was read to BALISTRIERI, SCHMIDT and SUHR exited from the CENTRE STAGE.

DAS:kmj

7. Agents Donald A. Schmidt
Donald A. Schmidt, Special Agent

RECEIVED AUG - 8 1975

This document contains neither recommendations nor conclusions of the Division of Criminal Investigation, Wisconsin Department of Justice. It is the property of this Division and is loaned to your agency. Its contents are not to be distributed outside your agency.

OC-1-181

CASE ACTIVITY REPORT
DJ-DCI-2 (Rev. 4/74)

Wi. nsin Department of Justice
DIVISION OF CRIMINAL INVESTIGATION

1. Case Number	2. Date	3. Case Title
OC-318	8-14-75	DANE COUNTY JOHN DOE

4. Activity	5. Date of Activity
Court Appearances	August 13, 1975

6.

On August 13, 1975, Attorney JOSEPH P. BALISTRIERI, with counsel, Milwaukee Attorney NICHOLAS C. CATANIA, appeared at the Dane County John Doe hearings under subpoena served earlier this month. Representing the State were Assistant Attorneys General PETER A. PESHEK and FREDERICK ERHARDT. Also present was Special Agent ALFRED F. SUHR.

Attorney BALISTRIERI was sworn in by the court and also given the secrecy admonishment. Prior to BALISTRIERI'S testifying, Attorney CATANIA requested of the court to be able to make some comments. Attorney CATANIA stated that his client, BALISTRIERI, was appearing voluntarily; however, that CATANIA'S client did not believe that the subpoena was valid since it was served in Milwaukee County and was a Dane County subpoena. In response to CATANIA'S comments, Assistant Attorney General PESHEK argued to the court that if Attorney BALISTRIERI wished to make a motion to suppress or squash the subpoena, then this should be done in open court. Assistant Attorney General PESHEK emphasized that there should be nothing on the record that is not in accordance with the Wisconsin Statutes since should any of this in the future reach the appelate stage, the record would be fuzzy. At that point, Attorney BALISTRIERI had a short conference with his attorney, CATANIA, and Attorney BALISTRIERI stated that he appeared voluntarily and there was no motion to suppress.

Assistant Attorney General ERHARDT had MR. BALISTRIERI cite his name and then give his addresses: Attorney BALISTRIERI said he was residing at 1961 North Summit Avenue, Milwaukee, with legal residence at 3043 North Shepard Avenue, Milwaukee, with a business address of 212 West Wisconsin Avenue, Milwaukee. His occupation was attorney at law.

The first question asked by Assistant Attorney General ERHARDT of BALISTRIERI was for BALISTRIERI to relate to the court any conversations or dealings he has had at any time within the last six years in the State of Wisconsin regarding the borrowing of monies from any source by or on behalf of LEO W. ROETHE. Attorney BALISTRIERI claimed that he had represented ROETHE and therefore was claiming the attorney/client privilege. There was some discussion by the court and by Assistant Attorney General PESHEK when a slight recess was held. After the recess, the court informed Attorney BALISTRIERI that it did not believe that a true attorney/client

7. Agents

Special Agent Alfred F. Suhr

RECEIVED AUG 25 1975

This document contains neither recommendations nor conclusions of the Division of Criminal Investigation, Wisconsin Department of Justice. It is the property of this Division and is loaned to your agency. Its contents are not to be distributed outside your agency.

OC-1-182

relationship existed since the court was in possession of other testimony that would lead to the contrary. The court then asked MR. BALISTRIERI several questions to which he replied as follows:

Attorney BALISTRIERI: I was paid no retainer fee by MR. ROETHE. I was retained either in late 1972 or early 1973 by him. I believe my services to him have been terminated; however, I cannot recall the specific date. I do recall that I had conversations in 1973 with ROETHE regarding my professional services.

Attorney BALISTRIERI stated that if MR. ROETHE would waive his privilege, then Attorney BALISTRIERI would be more than willing to comment on any questions asked of him regarding his association with ROETHE.

At this point, the court directed Attorney BALISTRIERI to return to the court at 1:30 p.m., August 27, 1975, and bring with him evidence of any retainer, fees, or any other evidence deemed necessary to prove the attorney/client relationship. MR. BALISTRIERI was then excused.

FRANK P. BALISTRIERI was then called as the next witness. He was represented by his sons, JOSEPH and JOHN BALISTRIERI, both attorneys. MR. BALISTRIERI was placed under oath at which time Assistant Attorney General PESHEK requested of the court that FRANK BALISTRIERI also be ordered to return on August 27, 1975, and not give testimony on this date since the court did not hear the testimony of the first witness (JOSEPH BALISTRIERI), which was essential to be heard prior to FRANK BALISTRIERI'S testifying. The court so ordered FRANK P. BALISTRIERI to return at 1:30 p.m., August 27, 1975.

The John Doe hearings were then adjourned until August 27, 1975.

AFS.ms

CORRESPONDENCE/MEMORANDUM

STATE OF WISCONSIN

Date: September 8, 1975 File Ref: OC-1

To: File: OC-1, Frank P. Balistrieri

From: Herbert L. Krusche, Director
White Collar Crimes Bureau

Subject: Closing of Intelligence File OC-1
For Administrative Purposes

As of September 1, 1975, the responsibilities for maintaining intelligence files on organized crime figures has been delegated to the General Investigations Bureau. This particular file is being closed at this time and will be reviewed by Director Russell Nelson of the General Investigations Bureau for a determination as to whether or not additional intelligence information will be collected on this subject.

Herbert Krusche

HLK:sk

RECEIVED SEP 24 1975

AD-75

OC-1-183

CORRESPONDENCE/MEMORANDUM STATE OF WISCONSIN

Date: October 9, 1975 File Ref:

To: Frank A. Meyers, Administrator
Division of Criminal Investigation

From: Russell J. Nelson, Director
General Investigations Bureau

Subject: Reopen Intelligence File OC-1, Frank P. Balistrieri

On September 1, 1975, Director Herbert Krusche administratively closed the Organized Crime Bureau intelligence file pertaining to Frank Balistrieri. This was due to the realignment of bureau responsibilities and the transfer of organized crime intelligence functions to the General Investigations Bureau.

The policy of the General Investigations Bureau as it pertains to organized crime intelligence will be to work only a very limited number of intelligence cases, and then on a very selective basis for a specific period of time. The primary focus of the new intelligence function will be to uncover grounds for a tactical case to be opened upon completion of the intelligence investigation. However, in some cases such as this, intelligence will be updated periodically because of the stature of the individual in organized crime circles.

Frank Balistrieri has been nationally identified as the head of organized crime in the Milwaukee area and therefore has become a subject of interest to law enforcement agencies throughout the country.

Constant inquiries are made to this Division by other law enforcement agencies regarding the associates, business activities, and possible out-of-state connections involving Frank Balistrieri.

Balistrieri is known to be involved in nightclub operations in Milwaukee, has influence in Teamster pension fund loans, and is suspected to receive a cut from most illegal transactions in the Milwaukee area.

Therefore, I am requesting that the intelligence file, OC-1, subject - Frank Balistrieri, be reopened for a period of 60 days to update information as to his activities. This file will be placed on an inactive status at the end of the time period requested. At that time it will serve as a repository for significant organized crime information which does not lead to any other specific individual or category.

10/15/75 Active Status approved 10/15/75 - assigned to S/A Englebert Dec 15 Due 12/15/75

Russell J. Nelson

HSE:sk

RECEIVED OCT 22 1975

AD-75

OC-1-184

EWSPAPER CLIPPING
J-DCI-43 (Rev. 6/73)

WISCONSIN DEPARTMENT OF JUSTICE
DIVISION OF CRIMINAL INVESTIGATION

Balistrieri Testifies at Doe Probe

Frank P. Balistrieri was questioned for about 20 minutes Wednesday during a secret John Doe investigation.

The questioning took place in the chambers of County Judge Elliot N. Walstead, who is presiding at the Doe.

Balistrieri was accompanied by two sons, Joseph and John, who are attorneys.

Witnesses are called to testify at a Doe to give information. It does not mean they are suspected of wrongdoing.

Frank Balistrieri is a former nightclub operator who has served time in federal prison for income tax evasion.

RECEIVED OCT 28 1975

COMMENTS: For information only

DATE: October 23, 1975

PUBLICATION: Milwaukee Sentinel

	O.C.	V.A.	S.A.	D.D.	A.T.	F.M.
COORDINATION:			RH			

SUBMITTING UNIT: Milwaukee Office

CIIC FILE NUMBER: OC-1-185

NEWSPAPER CLIPPING
DJ-DCI-43 (Rev. 6/73)

WISCONSIN DEPARTMENT OF JUSTICE
DIVISION OF CRIMINAL INVESTIGATION

Suit Ties Balistrieri to Theater

By Daniel P. Hanley Jr.
of The Journal Staff

A judge said Tuesday that evidence in a breach of contract suit indicated that a New York City theatrical producer was led to believe that Frank P. Balistrieri was the owner of the Centre Stage Dinner Playhouse in June, 1973.

Records in the city clerk's office showed that Balistrieri's brother, Peter, has been listed as the sole proprietor of the establishment at 624 N. 2nd St. since 1970, and that Peter Balistrieri has said that no one else had an interest in the business, according to Beverly Teter, senior city license clerk.

The Balistrieris were ordered Tuesday to pay $10,725 to the producer, Jackie Bright Productions, in connection with a contract for the producion of the play, "Barefoo in the Park," at the theater in June, 1973.

Couny Judge Gary A. Gerlach entered a judgment in favor of Bright, who produced the play that ran for four weeks and starred actress Sylvia Sidney.

Bright had contended that the Balistrieris had breached their contract with him.

Gerlach said in his decision that all of Bright's discussions concerning the production of the play were with Frank Balistrieri.

"Bright was not present when the contract was signed by Peter Balistrieri and never met him," Gerlach said in his decision.

"Jackie Bright testified that Frank Balistrieri told him he was the owner of the Centre Stage Dinner Theater at the time of their negotiations," the decision said. "Frank Balistrieri, in his testimony, never denied telling Jackie Bright he was the owner at the time of the negotiations."

The evidence is uncontroverted that Bright was led to believe that Frank Balistrieri was the owner of the theater at the time of the negotiation of the contract and thereafter.

RECEIVED NOV 20 1975

COMMENTS:

DATE: November 11, 1975
PUBLICATION: Milwaukee Journal

	O.C.	V.A.	S.A.	D.D.	A.T.	F.M.
COORDINATION:	✓					

SUBMITTING UNIT: Milw. D.C.I.
CIIC FILE NUMBER: OC-I-186

CASE ACTIVITY REPORT
DJ-DCI-2 (Rev. 4/74)

Wisconsin Department of Justice
DIVISION OF CRIMINAL INVESTIGATION

1. Case Number	2. Date	3. Case Title
OC-1	7/20/76	FRANK BALISTRIERI

4. Activity	5. Date of Activity
Examination of Tax Returns	July 16, 1976

6.

On Friday, July 16, 1976, Research Analyst Patrick Riopelle reviewed the following income tax returns and WT-9's at the Department of Revenue Central Files in Madison and extracted the following:

Name: [redacted]
Address: [redacted]

SSN: [redacted]

Income: [redacted]

Taxes Paid: [redacted]
Refund: [redacted]

* * * *

Name: [redacted]
Address: [redacted]

SSN: [redacted]

Income: [redacted]

Taxes Paid: [redacted]
Refund: [redacted]

7. Agents

Patrick J. Riopelle

Research Analyst Patrick J. Riopelle

RECEIVED JUL 21 1976

This report contains neither recommendations nor conclusions of the Division of Criminal Investigation, Wisconsin Department of Justice. It is the property of this Division and is loaned to your agency. Its contents are not to be distributed outside your agency.

OC-1-187

Name: [redacted]
Address: [redacted]

Occupation: Attorney
SSN: [redacted]

Income: [redacted]

Taxes Paid: [redacted]

Deductions:

[redacted]

[redacted] listed phone number on return of [redacted].
This number lists to [redacted].

* * * * *

Name: [redacted]
Address: [redacted]

SSN: [redacted]
Wife: [redacted]
SSN: [redacted]

Income: [redacted]

[redacted]

* * * * *

Name: [redacted]
Address: [redacted]

SSN: [redacted]
Wife: [redacted]

Income:

[redacted]

* * * * *

Name: [redacted]
Address: [redacted]

SSN: [redacted]
Occupation: Attorney-at-Law

Income:

At the time these returns were requested, Research Analyst Riopelle was informed that they were signed out--which could mean they are signed out for a possible audit. When they would become available is not certain.

kas

CORRESPONDENCE /MEMORANDUM — STATE OF WISCONSIN

Date: May 18, 1976 File Ref:

To: Frank A. Meyers, Administrator
Division of Criminal Investigation

From: Russell J. Nelson, Director
General Investigations Bureau

Subject: Reopen Intelligence File OC-1, FRANK P. BALISTRIERI

On October 15, 1975, you approved reopening intelligence file OC-1, FRANK P. BALISTRIERI, for a period of 60 days to update information as to his activities. A DCI-3 was to have been filed within 60 days of that approval.

However, Special Agent HAROLD S. ENGELBART, the assigned agent for this case, was unable to perform any investigative activity in this case during that period of time.

Therefore, I am requesting your approval for a second time to reopen the intelligence file to update the information.

Although the foundation for this request was listed on my memo dated October 9, 1975, I am again listing it at this time.

FRANK BALISTRIERI has been nationally identified as the head of Organized Crime in the Milwaukee area and therefore has become a subject of interest to law enforcement agencies throughout the country.

Constant inquiries are made to this Division by other law enforcement agencies regarding associates, business activities, and possible out-of-state connections involving FRANK BALISTRIERI. BALISTRIERI is known to be involved in nightclub operations in Milwaukee, has influence in TEAMSTERS PENSION FUND loans, and is suspected to receive a cut from most illegal transactions in the Milwaukee area.

This file will be placed on an inactive status at the end of the 60 day period. At that time it will serve as a repository for significant organized crime information which does not lead to any other specific individual or category.

Russell Nelson

HSE:ms

Approved 5/27/76

RECEIVED JUN 1 1976

AD-75

CORRESPONDENCE /MEMORANDUM — STATE OF WISCONSIN

OC-1

Date: May 6, 1976 File Ref:

To: File: SAR

From: Special Agent Harold S. Engelbart
General Investigations Bureau

Subject: Inquiry from San Diego Police Department

On May 3, 1976, Director RUSSELL J. NELSON advised Special Agent ENGELBART to contact Detective JACK MULLINS of the San Diego, California, Police Department ([redacted]). Director NELSON advised that Detective MULLINS inquired about a JOSEPH P. BALISTRIERI.

Special Agent ENGELBART contacted Detective MULLINS on this date and was informed by MULLINS about the following:

An anonymous call was received at a local hospital in San Diego on the night of May 2, 1976. The caller advised that there was a "hit man" in town from Milwaukee, Wisconsin. The hit man was named BALISTRIERI and he was staying at the SHERATON AIRPORT MOTEL in San Diego.

MULLINS stated that the police department checked the register at the SHERATON AIRPORT and found a BALISTRIERI registered as follows, "JOSEPH P. BALISTRIERI, 212 West Wiscorfen, Milwaukee, Wisconsin."

Detective MULLINS was advised by Special Agent ENGELBART that a JOSEPH P. BALISTRIERI is an attorney in Milwaukee and has a business address of 212 West Wisconsin Avenue, Milwaukee, Wisconsin. Special Agent ENGELBART further advised Detective MULLINS that JOSEPH P. BALISTRIERI is the son of FRANK P. BALISTRIERI, the alleged head of the LCN in Milwaukee. Detective MULLINS was further advised that JOSEPH P. BALISTRIERI has not been directly connected with any criminal activities, but is known to handle his father's alleged business enterprises.

Detective MULLINS said that there were three unknown associates checked into the motel with JOSEPH BALISTRIERI. Detective MULLINS advised that they would attempt to determine who the associates are and recontact Special Agent ENGELBART.

RECEIVED MAY 27 1976

On May 5, 1976, San Diego Police Department Detectives ROBERT PICKLES and RICHARD DACY telephonically contacted Special Agent ENGELBART. They advised that the person registered at the SHERATON AIRPORT MOTOR INN used a Carte Blanc credit card to register. There were three people in the party and they were assigned adjoining rooms, Rooms 911 and 915. The detectives also determined that there were no local calls made from those rooms; however, two long distance calls were reportedly made to the CIRCUS CIRCUS HOTEL at Las Vegas, Nevada.

The detectives further informed Special Agent ENGELBART that two of the persons that were in the party had left earlier in the morning on May 3, 1976. Those two unknown subjects were traced to the WESTERN AIRLINES TERMINAL which handles flights to Las Vegas. The remaining person in the party checked out at approximately 1:30 p.m. in the afternoon on May 3, 1976. This person was questioned by the San Diego detectives. They stated that the person identified himself as FRANK P. BALISTRIERI and said the other two persons in his party are his sons. FRANK BALISTRIERI advised the detectives that he was in town to visit some relatives. However, FRANK BALISTRIERI told the detectives that because of FRANK becoming ill, he was unable to meet with the relatives. FRANK said that he made a local telephone call to them.

FRANK BALISTRIERI was advised of the anonymous phone call that had been received regarding a "hit man" by the name of BALISTRIERI. FRANK BALISTRIERI stated that the detectives should contact Chief HAROLD BREIER of the Milwaukee Police Department. According to FRANK BALISTRIERI, Chief BREIER would vouch for him and advise him that "BALISTRIERI was not involved in anything."

The detectives asked if Special Agent ENGELBART knew of any contacts the BALISTRIERIS may have at the CIRCUS CIRCUS HOTEL. Special Agent ENGELBART stated that he knew there was an associate of FRANK BALISTRIERI'S operating the flower or gift shop at the CIRCUS CIRCUS HOTEL. Later, Special Agent ENGELBART confirmed that ANTHONY "TONY" SPILOTRO, DOB: [redacted], was allegedly operating the ANTHONY STEWART GIFT SHOP at the CIRCUS CIRCUS HOTEL. SPILOTRO, a known Chicago hoolum and suspected gangland executioner, was known to associate with FRANK BALISTRIERI.

The detectives asked Special Agent ENGELBART to send photos and descriptions of the three BALISTRIERIS: FRANK, JOSEPH, and JOHN. They also asked for physical descriptions and a copy of JOSEPH P. BALISTRIERI'S signature to compare against the motel registry.

Harold S. Engelbart

HSE:sk

cc: OC-1

NEWSPAPER CLIPPING
DJ-DCI-43 (Rev. 7/79)

WISCONSIN DEPARTMENT OF JUSTICE
DIVISION OF CRIMINAL INVESTIGATION

Mob figure gets term of 4 years

By Ken Wysocky

After dramatic testimony by a former Chicago mob boss, a federal judge Tuesday sentenced an Illinois man to four years in prison for refusing to testify before a federal grand jury under a grant of immunity from prosecution.

Judge Thomas J. Curran said the refusal of John Monteleone, 61, to testify before a grand jury in October 1983 was "a serious attack on the judicial system."

Curran said Monteleone, of Cicero, a Chicago suburb, had "deprived the grand jury of vital information."

Monteleone, described as a former mob enforcer, was convicted of contempt of court last August after he refused Judge Terence T. Evans' order to testify about activities involving Frank Balistrieri, alleged head of organized crime in Milwaukee, and his sons, John and Joseph.

There is no maximum sentence for criminal contempt of court.

Tuesday's five-hour sentencing hearing was held amid tight security as Ken (Tokyo Joe) Eto, 66, a former Chicago mob boss, testified.

In February 1983, Eto survived three gunshots in the back of his head from a .22-caliber handgun in a bungled Chicago mob hit.

Since being granted immunity, Eto has given federal investigators an inside look at mob dealings. He has been relocated and given a new identity under the federal government's witness protection program.

Eto testified that Monteleone was a mob enforcer whom Eto paid $1,000 a month for protection from Chicago police vice squad operations.

Eto gave a sordid glimpse of Chicago mob operations. He described:

- How in the late 1950s or early 1960s, Frank Balistrieri told him in a meeting at Balistrieri's Milwaukee home that it was not possible to arrange police protection for a gambling operation Eto wanted to open in Milwaukee.
- His role in setting up four murders in Chicago when mob gambling turf was threatened.
- The night of his bungled assassination.

Two assailants — whom Eto later identified — shot Eto as he sat in the passenger seat of his car in a parking lot on Chicago's Northwest Side. After being left for dead, he crawled one block to a drug store for help.

The bullets ricocheted off his skull. In July 1983, his two alleged assailants were found stabbed to death in the trunk of a car parked in a suburban Chicago parking lot.

Monteleone's lawyer, Louis Carbonaro, tried to refute testimony from a former FBI investigator who said he saw Monteleone and another man watching a house in 1977 that convicted extortionist Vincent J. Maniaci regulary visited after his release from prison.

A bomb containing 20 dynamite sticks was found under the hood of Maniaci's car one week after Monteleone was seen watching his activities, prosecutors alleged. Maniaci is the brother of August J. Maniaci, who was killed in September 1975 in what authorities believed was an organized crime power struggle.

In 1979, during a grand jury investigation of that murder attempt, Monteleone pleaded the Fifth Amendment against self-incrimination and refused to testify.

Monteleone will be free on bond until March 3, when he must begin his sentence.

DATE FEBRUARY 12, 1986

PUBLICATION MILWAUKEE SENTINEL

DCIR FILE NUMBER OC-1

COMMENTS

NEWSPAPER CLIPPING
DJ-DCI-43 (Rev. 7/79)

WISCONSIN DEPARTMENT OF JUSTICE
DIVISION OF CRIMINAL INVESTIGATION

Mob figure gets 16 years

Kansas City, Mo. — Reputed Chicago organized crime boss Joseph Lombardo was sentenced to 16 years in prison and ordered to pay more than $143,000 for his role in a conspiracy to skim profits from Las Vegas casinos.

Federal Judge Joseph E. Stevens Jr. ordered the prison term to be served concurrently with a 15-year sentence Lombardo is serving for conspiracy to bribe former Sen. Howard Cannon (D-Nev.).

Lombardo, 57, was convicted in January, with reputed Chicago mob boss Joseph Aiuppa, his alleged underboss John Cerone and two others, in a casino skimming scheme that prosecutors claim netted $2 million for mobsters in five cities.

Frank P. Balistrieri, reputed organized crime boss in Milwaukee, pleaded guilty in the case Dec. 31. He was fined $20,000 and sentenced to 10 years in prison, concurrent with a 13-year sentence on a 1984 Milwaukee extortion conviction.

Balistrieri's sons, Joseph and John, were ordered acquitted by Stevens after the government rested its case.

DATE APRIL 2, 1986

PUBLICATION MILWAUKEE SENTINEL

DCIR FILE NUMBER OC-1

COMMENTS RECEIVED APR 16 1986

DJ-DCI-43 (Rev. 7/79)

WISCONSIN DEPARTMENT OF JUSTICE
DIVISION OF CRIMINAL INVESTIGATION

Judge rejects Balistrieri's bid to reduce 10-year prison term

By Ken Wysocky

A federal judge in Missouri has denied an ailing Frank P. Balistrieri's bid for a reduction of his 10-year prison sentence stemming from a 1985 conviction for racketeering, it was learned Wednesday.

Judge Joseph E. Stevens Jr. ruled Balistrieri's poor health did not merit a sentence reduction because it was considered at the time of sentencing.

The order came two days after the US Supreme Court denied an appeal of 1984 extortion convictions of Balistrieri and his two sons, Joseph and John.

Federal authorities have identified the elder Balistrieri as the chief of organized crime in Milwaukee.

Balistrieri, 67, had asked that his sentence be cut in half. He based his request on what he described as declining health and the hardship his imprisonment had imposed on his wife and mother.

The government argued that Balistrieri had received adequate treatment and regular monitoring of his health from prison officials.

"Defendant's health was considered by the court at the time of sentencing, and defendant presents no information that would indicate any significant change in his medical condition since sentencing," Stevens wrote in his order.

Balistrieri is imprisoned at a maximum-security prison in Lewisburg, Pa. He pleaded guilty to two counts related to his involvement in the skimming of nearly $2 million from Las Vegas casinos. He was sentenced to two, five-year sentences and fined $20,000.

The sentence is to be served concurrent to a 13-year sentence Balistrieri already was serving for a 1984 conviction on extortion and gambling charges in the federal Eastern District of Wisconsin.

In May, a different motion was filed with Judge Terence T. Evans to reduce the 13-year sentence and have Balistrieri moved to a minimum-security federal prison in Lexington, Ky.

That request, which still is pending, showed Balistrieri suffers from lung problems, hardening of the arteries, arthritis and other problems.

Joseph P. Balistrieri, 45, is serving an eight-year sentence at the Federal Correctional Institution in Tallahassee, Fla. John J. Balistrieri, 37, is serving an eight-year term at the La Tuna Federal Correctional Institution in Anthony, Texas.

DATE JULY 10, 1986

PUBLICATION MILWAUKEE SENTINEL

DCIR FILE NUMBER OC-1

COMMENTS ~~RECEIVED JUL 22 1986~~

DJ-DCI-4J (Rev. 7/79)

WISCONSIN DEPARTMENT OF JUSTICE
DIVISION OF CRIMINAL INVESTIGATION

Judge rejects bid to reduce Frank Balistrieri's sentence

A federal judge in Missouri has rejected a request to reduce Frank P. Balistrieri's 10-year sentence for a 1985 racketeering conviction in Kansas City.

The bid to cut Balistrieri's term in half in the Missouri case parallels a sentence-reduction motion that is still pending in Milwaukee before Federal Judge Terence T. Evans. Balistrieri was convicted in 1983 and 1984 in Milwaukee on charges of extortion and sports bookmaking.

In both cases, Glenn Reynolds, a Madison lawyer representing Balistrieri, argued that Balistrieri's declining health made the prison terms tantamount to a life sentence. Federal authorities have identified Balistrieri as the chief of organized crime in Milwaukee.

Sheryle Jeans, a lawyer with the US Justice Department's organized crime strike force in Kansas City, said she opposed the motion made by Reynolds. A caseworker at a federal prison in Lewisburg, Pa., said Balistrieri, 67, received adequate care and supervision, Jeans said.

According to Jeans, the caseworker said that Balistrieri's activities were limited because of a mild heart condition and a hearing problem and that he was working at a desk job in the education department of the minimum-security prison.

In the pending motion in Milwaukee, Reynolds has asked Evans, who tried the cases, to halve Balistrieri's 13-year prison term. He was sentenced to serve concurrent terms of 10 years and 13 years.

While Reynolds has presented no medical information, he has argued that Balistrieri has been diagnosed as having lung problems, hardening of the arteries and arthritis.

DATE July 10, 1986

PUBLICATION Milwaukee Journal

DCIR FILE NUMBER OC-1

COMMENTS RECEIVED JUL 17 1986

DJ-DCI-43 (Rev. 7/79)

WISCONSIN DEPARTMENT OF JUSTICE
DIVISION OF CRIMINAL INVESTIGATION

Papia called to testify, sources say

By Mary Zahn

Sally Papia, a widely known restaurant operator, has been subpoenaed to appear before a federal grand jury that is looking into her relationship with a local union, sources said Tuesday.

Sources said part of the probe would focus on why Papia sent monthly checks of about $200 to Local 122 of the Hotel, Motel, Restaurant Employes and Bartenders Union in Milwaukee.

The source said up to 20 employes of Papia's restaurant, Sally's Steak House, 1028 E. Juneau Ave., also were expected to be subpoenaed for the probe.

When asked Tuesday about the subpoena, Papia said she had no comment.

Sources said Papia allegedly sent the monthly checks to the union for at least the last two years.

Records subpoenaed by the grand jury, sources said, allegedly indicated that the checks were for labor union dues for some of Papia's employes.

However, sources said, at least one former employe for whom Papia allegedly paid union dues has told federal officials he never belonged to the union, received no benefits and had no knowledge of Papia paying dues on his behalf.

Vince Gallo, business manager for Local 122, said Tuesday that the checks were for membership dues on behalf of Papia's employes who were members. He said those dues were deducted from employes' checks and were not paid by Papia.

"Sally was being billed for dues for our members who work for her," Gallo said.

He said it was "absolutely ridiculous" to suggest that Papia received any special favors from the union. He said he had no idea why the FBI was interested in the union.

FBI agents executed a search warrant Aug. 20 at the union's office at 231 W. Wisconsin Ave., records show. Union officials gave the agents records pertaining to union membership, dues payments and employe activities at Sally's, according to the records.

The records provided by the union officials specifically pertained to a list of 25 people, apparently past and current workers at Sally's.

Papia, in the settlement of a 1982 complaint by the US Labor Department, agreed in 1983 to pay $15,000 in back wages to 71 employes.

The complaint had alleged that Papia paid waitresses, cooks, bartenders and other workers less than the minimum wage, in violation of the Fair Labor Standards Act.

Papia served a 60-day jail term on work release for a 1976 extortion conviction.

DATE SEPTEMBER 24, 1986

PUBLICATION MILWAUKEE SENTINEL

DCIR FILE NUMBER OC-1

COMMENTS

RECEIVED [illegible] 1986

DJ-DCI-43 (Rev. 7/79)

WISCONSIN DEPARTMENT OF JUSTICE
DIVISION OF CRIMINAL INVESTIGATION

Balistrieri aide jailed for refusal on palm prints

By Mary Zahn
and Ken Wysocky

Steve Di Salvo, convicted in 1983 of running a gambling operation for Frank P. Balistrieri, has been jailed for refusing to give palm prints needed for a federal grand jury investigation, it was learned Tuesday.

Di Salvo was transferred last April to Milwaukee from the Federal Correctional Institution at Texarkana, Texas, to testify before a federal grand jury, according to affidavits filed in Federal Court. He is serving an eight-year sentence.

Neither the affidavits nor federal officials disclosed why the grand jury wanted Di Salvo's prints. A source said authorities believed the prints might implicate Di Salvo in an unsolved gangland murder.

John Franke, chief of the Milwaukee Bureau of the US Justice Department's Organized Crime Strike Force, would not comment on the source's information.

The affidavits had been sealed until Tuesday, when they were opened at the request of The Milwaukee Sentinel.

Di Salvo was cited April 21 for civil contempt of court for refusing to give the prints despite a court order from Federal Judge John W. Reynolds.

He was held in Chicago's Metropolitan Correction Center until June 16, when he was transferred to the newly opened federal detention area of the Milwaukee County Jail.

Di Salvo legally can be held until Feb. 2, when the grand jury he appeared before is released. The time spent in jail for contempt will not count as time served on his prison sentence, Franke said.

Di Salvo, who has been identified by federal prosecutors as second-in-command to Balistrieri in Milwaukee's organized crime family, said in an affidavit he refused to give the palm prints because the FBI already had them from a previous investigation in 1982 or 1983.

"Because I had earlier provided the prints, and because I believed then as I do now that the government wanted my prints only to frame me, I declined to produce them," the affidavit said.

"Another reason for my refusal was that . . . no one had demonstrated to me that the earlier-provided palm prints were unsuitable for comparison purposes," the affidavit continued. "Thus, believing that the FBI wanted these new palm prints for the simple purpose of harassment, I refused to produce them."

Franke said the government needed the palm prints because the prints already taken were not clear enough.

Di Salvo this week filed a motion requesting that he be transferred back to Texarkana. He said he would not give palm prints until the government demonstrated a need for them.

Balistrieri is imprisoned at the federal penitentiary in Lewisburg, Pa. He is serving a 10-year sentence for a 1985 conviction in Kansas City, Mo., for racketeering and a 13-year sentence for a 1984 conviction in Milwaukee for gambling and extortion.

DATE OCTOBER 1, 1986

PUBLICATION MILWAUKEE SENTINEL

DCIR FILE NUMBER OC-1

COMMENTS

DJ-DCI-43 (Rev. 7/79)

WISCONSIN DEPARTMENT OF JUSTICE
DIVISION OF CRIMINAL INVESTIGATION

Grand jury looks into '63 slaying

Steve DiSalvo, whose palm prints are being sought by federal authorities, was questioned by a grand jury here in April about his knowledge of the unsolved 1963 murder of Anthony J. Biernat, a Kenosha vending machine dealer, sources said Thursday.

Federal officials have declined to comment on the grand jury appearance of DiSalvo, convicted in 1983 of running a gambling operation for Milwaukee Mafia boss Frank P. Balistrieri.

But sources familiar with the grand jury investigation said authorities were still trying to piece together details of the killing of Biernat, who was abducted in Kenosha and later found beaten to death and left in a shallow grave.

DiSalvo has been jailed for contempt of court for refusing to give his palm prints, which he said were already taken by federal authorities in 1982 or 1983.

Kenosha Police Chief Joseph Trotta said in an interview that his department had questioned DiSalvo shortly after the murder, and again this April when DiSalvo appeared before the grand jury in Milwaukee.

DiSalvo was uncooperative, Trotta said.

Trotta said a link to organized crime in the murder had never conclusively been established, but "it had the implication of one."

Anthony Pipito, convicted in 1985 of running a huge cocaine operation in Milwaukee, revived the Biernat investigation in 1984 when he allegedly told an FBI source that he "was the first individual to hit" Biernat during the fatal beating.

DATE OCTOBER 2, 1986

PUBLICATION THE MILWAUKEE JOURNAL

DCIR FILE NUMBER OC-1

COMMENTS

MILW. SENTINEL
P. 2 - OC-1

A 1986 report by the President's Commission on Organized Crime said that Joseph Hauser, a convicted defrauder of union benefit funds, had testified before a Senate subcommittee in April 1983 that Chicago crime boss Tony Accardo handpicked Hanley for the HEREIU presidency.

"The list of employes and organizers hired after Hanley became HEREIU president includes organized crime associates and numerous patronage jobs," the report said. "HEREIU has a documented relationship with the Chicago "Outfit" of La Cosa Nostra at the international (union) level."

Hanley, who has been president of HEREIU since 1973, pleaded the Fifth Amendment when he was asked during an appearance before a Senate subcommittee about his relationship with Chicago organized crime figures, the report said.

Gallo said of Hanley's testimony, "We have the right to plead the Fifth, just as any politician or any other citizen has."

Gallo said he thought the presidential commission's allegations about HEREIU were "absolutely ridiculous."

Labor Department records show Gallo makes about $46,000 in salary and benefits as business manager for Local 122. A source said he also receives some compensation from HEREIU for being an international vice president.

According to a Milwaukee Labor Press story, Gallo's post with the international makes him responsible for six states — Minnesota, North and South Dakota, Iowa, Nebraska and Wisconsin.

DJ-DCI-43 (Rev. 7/79)

WISCONSIN DEPARTMENT OF JUSTICE
DIVISION OF CRIMINAL INVESTIGATION

Grand jury probing Balistrieris for tie to hotel workers union

By Mary Zahn

A federal grand jury is investigating whether Frank P. Balistrieri, alleged boss of organized crime in Milwaukee, and his sons have had ties with the hotel and restaurant employes union, according to sources.

The Hotel Employes and Restaurant Employes International Union was named last October by the President's Commission on Organized Crime as one of the "Bad Four" major unions, "dominated by the La Cosa Nostra Crime syndicate and its auxiliaries and allies."

Milwaukee Local 122 of the union, known by the acronym HEREIU, has anywhere from 1,800 to 2,400 members, according to Vincent P. Gallo, business manager for the local.

Balistrieri and his sons, John J. and Joseph P., are currently serving time in federal prison on extortion charges. In addition, Frank Balistrieri is serving time on federal conspiracy and racketeering charges in connection with the skimming of nearly $2 million in profits from Las Vegas casinos.

The grand jury is expected to probe Gallo's relationship with the Balistrieri family, a source said.

Gallo said Wednesday that there has been no relationship between his union and the Balistrieri family. He said he had known the Balistrieris most of his life, and that John and Joseph are his friends.

But, Gallo said, "they have had absolutely nothing to do with the union."

Gallo is a former manager of Snug's restaurant in The Shorecrest hotel, 1962 N. Prospect Ave., both owned by Joseph Balistrieri.

Gallo acknowledged that he was on probation for auto theft in November 1976, when he became manager of Snug's. Court records show that Joseph Balistrieri was Gallo's attorney in the auto theft case.

Gallo said he received a full pardon from the governor on that charge last year.

Gallo said that as far as he was concerned, both Local 122 and the international union are well-run, "absolutely clean" and in good financial shape.

He said he has no knowledge of any organized crime figures infiltrating either labor group.

"If organized crime figures are involved in the union, why isn't someone doing something about it?" Gallo asked.

He said he has not been subpoenaed to appear before the grand jury, but that his secretary has.

Also scheduled to appear before the grand jury is Sally Papia, the widely known restaurant operator, who sources say has had a close association with the Balistrieri family for many years. Papia is expected to be questioned about why she sent monthly checks of about $200 to Local 122.

Gallo said the checks from Papia covered union membership dues for her employes. He said those dues were deducted from employes' checks and were not paid by Papia.

However, sources said, at least one former employe for whom Papia allegedly paid union dues has told federal officials that he never belonged to the union, received no benefits and had no knowledge of Papia paying dues on his behalf.

The grand jury also is expected to probe whether the Balistrieris had anything to do with Local 122's decision to keep its health and welfare and pension funds under local control, rather than under control of the international union in Naperville, Ill., sources said.

Gallo said the pension decision was made by union trustees, and the Balistrieris had nothing to do with it.

According to a reliable source, John Balistrieri has been a member of Local 122 since 1975.

Gallo said he didn't know when John joined, but he had worked out of the Local 122 office as an attorney some years ago.

According to the source, John joined Local 122 in April 1973, when he was still a law student and was living at his father's East Side home.

In July 1974, John was suspended from the union. He reapplied for membership in April 1975 and has been listed as a member since, the source said.

Gallo started working for the local in September 1980. At the time, he said, he had been working as a bartender in a number of area restaurants and had met the late Ben Barwick, a former Local 122 president.

Barwick invited Gallo to work for the union as a business agent and organizer, with the understanding that if he didn't like the job, he could leave, Gallo said. He stayed and was elected business manager in November 1983.

In August 1984, Gallo was appointed as one of the 14 international vice presidents of HEREIU by its president, Edward Hanley.

DATE OCTOBER 2, 1986

PUBLICATION MILWAUKEE SENTINEL

DCIR FILE NUMBER OC-1

COMMENTS

DJ-DCI-43 (Rev. 7/79)

WISCONSIN DEPARTMENT OF JUSTICE
DIVISION OF CRIMINAL INVESTIGATION

Man's palm prints sought in 1963 murder

By Mary Zahn

A federal grand jury is seeking palm prints from an alleged organized crime figure here as part of a continuing investigation into the 1963 murder of a Kenosha jukebox distributor, a knowledgeable source said Wednesday.

Court records show that Steve Di Salvo, convicted in 1983 of running a gambling operation, has been jailed for refusing to give palm prints needed for the grand jury investigation.

The source said the jury was looking into the murder of Anthony J. Biernat.

Biernat's body was found Jan. 28, 1963, buried in a shallow grave in the basement of an unoccupied house on the grounds of the former Bong Air Force Base site.

Biernat, 46, owner of the Lakeside Music Co., was abducted from his car by three men Jan. 7, 1963, at the North Shore railroad depot in Kenosha and was beaten to death by his abductors.

The murder investigation was given new life in December 1984, when Anthony Pipito, 47, was arrested in connection with an estimated $1.2 million cocaine sales operation.

Affidavits attached to the drug arrest warrant alleged that Pipito had bragged to one FBI source "that he was the first individual to hit (jukebox distributor Anthony J. Biernat) and that Biernat died" during the beating.

According to accounts given to The Milwaukee Sentinel by confidential sources in 1963, Biernat's death was arranged by Chicago organized-crime leaders.

According to the sources, Biernat's killers were hired out of Milwaukee by the Chicago organized-crime leaders after Biernat refused to let them have a partnership in his jukebox firm.

Di Salvo has been identified by federal prosecutors as second in command in Milwaukee's organized crime family. He said in an affidavit that he refused to give the palm prints because the FBI already had them from a previous investigation in 1982 or 1983.

John Franke, chief of the Milwaukee Bureau of the US Justice Department's Organized Crime Strike Force, said the government needed the palm prints because the prints already taken were not clear enough.

Steve Di Salvo

Anthony J. Biernat

DATE OCTOBER 2, 1986

PUBLICATION MILWAUKEE SENTINEL

DCIR FILE NUMBER OC-1

COMMENTS

RECEIVED OCT 7 1986

DJ-DCI-43 (Rev. 7/79)

WISCONSIN DEPARTMENT OF JUSTICE
DIVISION OF CRIMINAL INVESTIGATION

Federal grand jury hears Papia

Restaurateur Sally Papia appeared Tuesday before a federal grand jury that sources say is probing her relationship with a local union.

Papia, operator of Sally's Steak House, 1028 E. Juneau Ave., appeared before the grand jury for about half an hour, said her attorney, Franklyn M. Gimbel.

Gimbel would not comment further, except to say Papia was not scheduled to appear before the grand jury again. Papia also refused to comment.

The FBI has been investigating Papia's ties to Hotel, Motel, Restaurant Employes and Bartenders Union Local 122.

FBI agents executed a search warrant Aug. 20 at the union's office, 231 W. Wisconsin Ave., and seized appointment books, pension fund statements and records pertaining to union membership, dues payments and employe activities at Sally's.

Sources have said the investigation centers on $200 checks Papia sent monthly to Local 122 for the past two years.

DATE OCTOBER 8, 1986

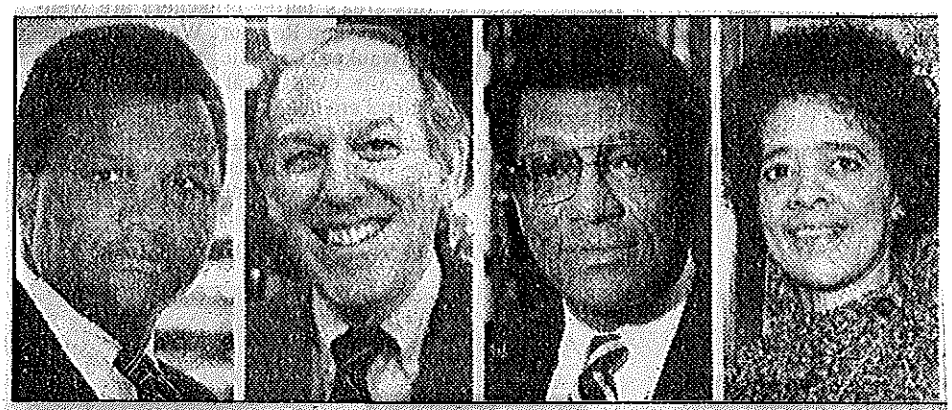
PUBLICATION MILWAUKEE SENTINEL

DCIR FILE NUMBER OC-1

COMMENTS RECEIVED OCT 2 4 1986

THE MILWAUKEE JOURNAL
10-17-86 P. 3

OC-1



Bradley D. Carr Stephen Marcus Orville Pitts Vel R. Phillips

Frank H. Ranney John W. Schmitt Joseph Ruditys

Joseph Balistrieri John Balistrieri

THE MILWAUKEE JOURNAL
10-17-86 P. 2

While Joseph's words remained sealed, John sent a soul-searching, public, 11-page letter that alternately maintained his innocence, ripped prosecutors he said were overzealous and branded his father a liar — all while quoting J. Edgar Hoover, the late English statesman Benjamin Disraeli, and others.

John said he and his brother were "dragged kicking and screaming into this mess" by Frank Balistrieri, a man to whom "truth was as alien as earrings are to a pig."

It was guilt by association, John wrote.

"This is not to say I didn't know my share of bookmakers and street characters, because I did. Growing up on the Lower East Side of the city, such contacts were inevitable. . . .

"He is my father and as the world knows, I am his son. It is an accident of nature that burdens me more than the hump on the back of Richard III."

John also wrote: "My brother and I were subjected to psychological abuse with the weapons of personal honor, family loyalty and cultural tradition that can only be brought to bare [sic] against those who want to do right."

He concluded: "Please, judge, do not let the words of J. Edgar Hoover ring true. Do not allow justice to be incidental to law and order. All I want is a fair shake."

John said he blew his chance to break away in 1975, "shamed into staying in Milwaukee by an appeal to my honor."

"I was constantly put upon to rescue him from one catastrophe after another. . . . It would have been culturally abrasive, and invited scorn and vituperation not to. . . . After all, isn't that what good sons and good lawyers do?"

He also wrote: "For the past 20 years, my name has been rendered odious by the negative publicity given to my father. . . . Yet the fact of the matter is that I had no part in creating that aura and have had to live with the brutal realities such an aura imposes upon someone growing up in our community."

He compared his reputation to characters in "The Godfather" novel, but pleaded, "I am not like the character in the novel nor is my relationship with my father anything like is portrayed in the book."

At one point John, who is engaged to be married, pleaded with Evans.

"Please do not let my biological time clock run out," he wrote. "I want very much to put this whole time behind me and get on with my life, to get married and raise a family.

"Never again will I let loyalty be deaf to reason. I have not been indolent, I have been blind. . . . It is not that I got too close to him, as others would have you believe, it is that I let him get too close to me."

He cited his "peripheral role" in the extortion case, his imprisonment in a "hard time" institution, a nonviolent history, his divestment of his vending machine interests and good prison record as reasons for a reduction.

"They say you learn a lot in prison and that is true. I have learned that armed bank robbers, heroine [sic] dealers and cocaine smugglers with violent records receive far less time than I was given for my first nonviolent offense."

Phillips said Friday that she had written to Evans after contacting Antonina Balistrieri about helping out in some way. Neither of the brothers knew of her letter, she said.

Pitts said Friday that his letter on behalf of Joseph was prompted by his regard for him as a lawyer and a person.

"He's a talented and capable person, and the point has been made," Pitts said. "The sentence stripped him of his law license, and he's been disgraced and humiliated. I don't know if seven more years in prison is going to drive the point home any more."

Marcus was in a meeting, aides said, but his letter noted that he had been asked to write to Evans.

Schmitt, Ruditys and Gallo could not be reached for comment.

Ranney, who lives in Coral Springs, Fla., has an unlisted number.

DJ-DCI-43 (Rev. 7/79)

WISCONSIN DEPARTMENT OF JUSTICE
DIVISION OF CRIMINAL INVESTIGATION

Friends endorse Balistrieri brothers' plea for early release

By DAVID UMHOEFER
of The Journal staff

Buttressed by support from Milwaukee union officials, businessmen, lawyers and old family friends, plus a stinging attack on their father, John and Joseph Balistrieri asked a federal judge Thursday to reduce their prison sentences.

The brothers — both lawyers and the sons of Frank P. Balistrieri, who headed organized crime in Milwaukee until he, too, was sent to prison in 1984 — have served 8½ months of 8-year sentences for 1984 extortion convictions involving efforts to take over a vending machine business.

Accompanying the motions filed with Judge Terence T. Evans were more than 100 letters asking Evans to reduce the brothers' sentences.

Among the letter writers were retired state AFL-CIO chief John W. Schmitt; Joseph Ruditys, president of the local firefighters union; Vincent P. Gallo III, business manager of the Hotel, Motel, Restaurant Employes Union Local 122; former alderman Orville Pitts, now a family court commissioner; and Vel R. Phillips, former Milwaukee alderman, circuit judge and secretary of state.

Other writers included lawyer Bradley D. Carr; Stephen Marcus, of the hotel and theater family; and Frank H. Ranney, a former local and national Teamsters Union leader.

Schmitt wrote that the Balistrieri brothers, his good friends, "have shown social concern and evidenced a positive attitude for good causes." Their troubles "resulted from being boxed in by their father."

"If allowed to be out of jail and in the community, they will be totally divorced from any illegal or corrupt acts," Schmitt wrote.

Ruditys, who described himself as knowing the brothers for 10 years, wrote: "If there was ever a need for sentencing and discipline with compassion, I believe it should apply in the cases of John and Joe Balistrieri."

Phillips called the brothers "intelligent and hardworking, caring and civic-minded" who would "rejoice in the opportunity to lead normal, productive lives."

Gallo, who said he was a lifelong friend, described the brothers as givers — "They gave baskets of food at both Thanksgiving time and at Christmas time to the church to be distributed to the needy."

Ranney, former secretary-treasurer of Teamsters Local 200 here and a former trustee of the Teamsters' Central States Pension Fund, said the brothers' mother, Antonina, could not cope with running the Balistrieris' restaurant and hotel in Milwaukee without her sons.

Joseph Balistrieri owns the Shorecrest Hotel, at 1926 N. Prospect Ave.

Ranney, who resigned as a trustee of the Teamsters' Central States Pension Fund in 1976 after refusing to cooperate with a federal investigation of irregularities in the fund, wrote:

"The Justice Department does not have to fear their carrying on any further criminal activities now that they have had a sample of incarceration . . . and due to the breach this affair has created between them and their father."

A letter from the boys' mother to Evans was attached to a motion requesting that it, along with a letter from her son Joseph, remain confidential.

In his motion, John J. Balistrieri, 38, asks for a reduction to a two-year sentence, making him immediately eligible for parole from the LaTuna federal prison in Anthony, Texas.

Joseph Balistrieri, 46, imprisoned in a federal prison at Tallahassee, Fla., asked Evans to reduce his sentence to time served.

DATE OCTOBER 17, 1986

PUBLICATION THE MILWAUKEE JOURNAL

DCIR FILE NUMBER OC-1

COMMENTS RECEIVED OCT 2 4 1986

DJ-DCI-43 (Rev. 7/79)

WISCONSIN DEPARTMENT OF JUSTICE
DIVISION OF CRIMINAL INVESTIGATION

Balistrieri raked by jailed son

By Ken Wysocky

Frank P. Balistrieri was a manipulative and calculating man whose underworld ties and insistence on family loyalty and honor sent his two sons to prison on extortion convictions, his son, John J., said in a letter filed in Federal Court Thursday.

"We didn't know what Frank was up to and didn't ask him. We didn't care. Besides, it was not consistent with Frank's personality to tell the truth to anyone, and especially not to Joe or myself. Truth was as alien to him as earrings are to a pig."

The rambling 11-page letter written to Judge Terence T. Evans was submitted as part of a motion to reduce John Balistrieri's eight-year sentence to two years, with eligibility for parole after eight months. That would make Balistrieri, 38, immediately eligible for parole since he has served slightly more than eight months at the LaTuna Correctional Institution in Anthony, Texas.

Another motion sought to have Joseph P. Balistrieri's eight-year sentence reduced to time served. Joseph Balistrieri, 46, has been imprisoned for about eight months at the Federal Correctional Institution in Tallahassee, Fla.

Both motions were accompanied by a file folder of more than 100 letters from relatives and friends of the Balistrieri brothers. The letters extolled their virtues and described the hardships their imprisonment has caused for them and their family, especially their mother, Antonina Balistrieri.

John Balistrieri described the burden of bearing the name of Milwaukee's reputed mob family and steadfastly maintained his innocence, saying he was a victim of guilt by association.

"Through my inarticulate pen flows the pain, disappointment and physical and mental exhaustion of the past eight years ... I hope and pray I am not misunderstood," he said.

Balistrieri noted the letter was difficult to write for many reasons, including the realization it probably "will be shared with others, some of who are undoubtably hostile toward me and relish in the thought of my diminished circumstances."

It was his father's ties to the underworld that was his son's undoing, Balistrieri asserted.

"That is not to say I didn't know my share of bookmakers and street characters, because I did. Growing up on the lower East Side of the city such contacts were inevitable," he wrote. "But my associations with such people were always personal, never business."

He continued: "I sincerely hope that whatever opinion you (Evans) have forged of me is not jaded by the circumstances of my birth or the unfortunate aura that surrounds my family name. But that is a risk I run since for the past 30 years, my name has been rendered odious by the negative publicity given to my father.

"But the fact of the matter is that I had no part in creating that aura and have had to live with the brutal realities such an aura imposes upon someone growing up in our community," he said.

Balistrieri said there could not be "an honest reciting of the facts" without discussion of his father, who is serving concurrent 10- and 13-year sentences for racketeering, extortion and gambling convictions in Kansas City and Milwaukee. Federal authorities have identified him as the chief of organized crime in Milwaukee.

"He is my father and as the world knows, I am his son. It is an accident of nature that burdens me more than the hump on the back of Richard III.

" ... Had he left us alone, or just been more discreet and particular in his associations, I would still be practicing tax law today and this dreadful chapter in my life would never have been written.

"But we were not left alone. We were dragged kicking and screaming into this mess. Make no mistake about it, our participation, as limited as it was, was not the result of willful conduct.

"My brother and I were subjected to psychological abuse with the weapons of personal honor, family loyalty and cultural tradition that can only be brought to bare (sic) against those who want to do right."

Balistrieri said the "Byzantine, manipulative and calculating nature of Frank Peter Balistrieri insiduously (sic) utilized all the means at his disposal to involve us in his problems. This was to his constant advantage and our terrible disadvantage.

"There is a Mario Puzo-isque notion that I have read and heard which has me relishing in the affairs of my father. The fact of the matter is I am not like the character in the novel nor is my relationship with my father anything like is portrayed in the book."

Balistrieri said his chance to break away from his father was lost in 1975.

"I was talked out of it. Shamed into staying in Milwaukee by an appeal to my honor. Frank needed a back-up dupe. Joe was giving him too much trouble. I came off the bench."

The letter notes that Balistrieri's sentence should be reduced for a number of reasons — his incarceration in a prison for hardened criminals that ranks "at the very bottom" of federal prisons, the victimless nature of his crime, and a biological time clock that is running out on his wish to marry his fiancee of seven years and start a family. He also pointed out that he has divested himself from all aspects of the vending and amusement machine business.

"The cold hard fact of the matter is this: Never again will I let loyalty be deaf to reason ... I have not been indolent, I have been blind.

"I cannot undo what has been done, but you can end the suffering caused by a series of events over which I had little control," he said, imploring Evans to reduce his sentence.

DATE OCTOBER 17, 1986

PUBLICATION MILWAUKEE SENTINEL

DCIR FILE NUMBER OC-1

COMMENTS RECEIVED OCT 24 1986

DJ-DCI-43 (Rev. 7/79)

WISCONSIN DEPARTMENT OF JUSTICE
DIVISION OF CRIMINAL INVESTIGATION

Balistrieris called model prisoners

By Ken Wysocky

Imprisoned brothers John J. Balistrieri and Joseph P. Balistrieri have exemplary prison work records and have earned maximum time off for good behavior, according to affidavits reviewed Friday.

John Balistrieri, 38, is an administrative assistant to the safety manager at LaTuna Correctional Institution in Anthony, Texas. He is serving an eight-year sentence on a 1984 extortion conviction.

Joseph Balistrieri, 46, is a tutor clerk at the Federal Correctional Institution in Tallahassee, Fla., where he also is serving an eight-year sentence on a 1984 extortion conviction. He helps inmates study English, mathematics and social studies to prepare for equivalency diploma exams.

The first four months of his sentence were spent working in the dish room of the prison dining hall.

That information was gleaned from affidavits filed in Federal Court Thursday in support of two motions to reduce the sentences of the Balistrieri brothers. Both have served about 8½ months in prison.

John Franke, head of the Milwaukee office of the US Justice Department's Organized Crime Strike Force, said the government would prepare a response to the motions after reviewing the affidavits and more than 100 letters of support from friends and relatives of the two brothers.

The motions are before Federal Judge Terence T. Evans.

An affidavit filed by Stephen M. Glynn, John Balistrieri's attorney, notes that prison records show Balistrieri has "behaved in commendable fashion" during his incarceration.

"There have been no incident reports filed against him; he has a responsible position within the institution and an excellent work record; he has received meritorious good time; and he has received advancements based upon merit in his employment," the affidavit said.

In a vitriolic letter that lashed out at his father, Frank P. Balistrieri, John Balistrieri called LaTuna "an institution that rates at the very bottom of all Federal Correctional Institutions and where English is a foreign language."

Frank P. Balistrieri, who has been identified by the FBI as the head of Milwaukee's mob family, is serving concurrent 13- and 10-year sentences in a federal prison in Pennsylvania on gambling, extortion and racketeering convictions.

An affidavit filed by attorney Russell Stewart, a friend and former law partner of the brothers, said that Joseph Balistrieri's work record is "beyond reproach. His conduct and deportment have no parallel."

The same affidavit argues that the thousands of hours spent preparing for their casino skimming trial in Kansas City could be viewed as "time served." That trial ended with their acquittal last January.

"Joseph and John Balistrieri lived in a state of virtual house arrest for the two years prior to the commencement of that trial ... despite the fact that the government's case was conspicuously devoid of any basis in fact or law," the affidavit said.

The document also notes that "this two year period caused both John and Joseph Balistrieri severe depression, an almost total drain on their cash resources, a neglect of their other business enterprises to their financial detriment and a severe strain on their relationships with family and friends."

RECEIVED OCT 2 3 1986

DATE OCTOBER 18, 1986

PUBLICATION MILWAUKEE SENTINEL

DCIR FILE NUMBER OC-1

COMMENTS

DJ-DCI-43 (Rev. 7/79)

WISCONSIN DEPARTMENT OF JUSTICE
DIVISION OF CRIMINAL INVESTIGATION

Magazine ranks Balistrieri the 17th 'biggest Mafia boss'

From Sentinel wire services

Frank P. Balistrieri, identified by the FBI as Milwaukee's organized crime boss, ranks 17th on a Fortune magazine list of the 50 "biggest Mafia bosses."

Balistrieri, 68, is serving a 10-year prison sentence at a maximum-security prison in Lewisburg, Pa., on a 1985 conviction for racketeering.

No. 1 on the list is Anthony "Fat Tony" Salerno, 75, of New York. Only one Chicago mob boss, Anthony Accardo, who ranks No. 2 on Fortune's list, ranks higher than Balistrieri.

The ranking is in the Nov. 10 issue of Fortune, which is known for its "Fortune 500" list of America's largest corporations. The magazine said the list is based on law enforcers' assessment of each man's wealth, power and influence.

The list does not include annual income or net worth figures.

John A. Franke, the federal prosecutor who handled the case against Balistrieri, said, "I was not aware that Fortune magazine was rating mob bosses, and I would be interested in their criteria and sources.

"Seventeenth seems generally consistent with evidence introduced in federal court here over the past few years," he said.

DATE OCTOBER 23, 1986

PUBLICATION MILWAUKEE SENTINEL

DCIR FILE NUMBER OC-1

COMMENTS RECEIVED OCT 29 1986

DJ-DCI-43 (Rev. 7/79)

WISCONSIN DEPARTMENT OF JUSTICE
DIVISION OF CRIMINAL INVESTIGATION

Magazine ranks the mob

Balistrieri is 17th on Fortune's list

New York, N.Y. —AP— Fortune magazine's newest list of America's top 50 bosses doesn't include anybody whose outfit is listed in Dun & Bradstreet.

No. 1 is Anthony (Fat Tony) Salerno, a cigar-chomping, 75-year-old New Yorker tapped as the nation's top Mafioso.

Fortune, a business magazine known for ranking the 500 largest corporations, branched out this week with its list of "The 50 Biggest Mafia Bosses."

Salerno, the reputed boss of the Genovese crime family, was ranked No. 1 by law enforcers who assessed mobsters' wealth, power and influence.

Fortune gave second and third place to two more Anthonys: (Big Tuna) Accardo of Chicago and (Tony Ducks) Corallo of New York.

Frank Balistrieri, 68, of Milwaukee, was listed as 17th. He is now serving concurrent 13-year sentences on 1983 and 1984 convictions for extortion and sports bookmaking. In a separate case, he is serving a concurrent 10-year term for his 1986 conviction for skimming gambling receipts from Las Vegas casinos. He is being held in a maximum-security prison in Lewisburg, Pa.

John Gotti, the reputed boss of the Gambino family, allegedly the nation's largest single crime network,

Anthony (Fat Tony) Salerno

may not be happy with his rating. Fortune put Gotti 13th on its list, just ahead of the long-retired and imprisoned Joseph Bonanno.

Gotti lacks a colorful nickname, but his custom suits, Mercedes 450 SL, impeccable hairstyle and alleged role in the sidewalk slaying of predecessor Paul Castellano have given him much publicity.

"His superstar status is more image than substance," said Fortune. "He does not seem qualified to run the Gambino family's complex businesses, which range from meat and poultry sales to a garment industry trade association."

"Organized crime is, among other things, a potent economic force," managing editor Marshall Loeb explained in a note to readers. "Yet rarely, if ever, has the press examined the mob as a business, one that has its own management style and culture."

According to the article, 'the organization chart of a crime family or syndicate mirrors 'the management structure of a corporation," and mobsters act accordingly:

- Like many a chief executive, Accardo was called back from retirement in Palm Springs, Calif., when other leaders of Chicago's Outfit were imprisoned.
- Salerno and his fellow New York Mafia bosses fixed cement prices, charging a 2% fee for all superstructures costing more than $2 million.
- Carl DeLuna, reputed underboss of the Mafia family in Kansas City, Mo., submitted detailed expense accounts for trips to Las Vegas, Nev., where he supervised skimming of cash from casinos.

The mob, Fortune notes, even has a yuppie: Michael Franzeze, 35, a racketeer's son who strayed from traditional scams to branch out into film production and gasoline tax evasion.

However, only 24 of Fortune's 50 are neither in jail nor under indictment, and only 15 of those are under 70. Highest ranked among them is Vincent (Chin) Gigante, 57, a member of the Genovese family whose power has grown since Salerno's incarceration.

Salerno, Fortune says, was making more money than most Mafia chieftans even before taking the Genovese throne in 1980; he allegedly skimmed large sums from casinos.

Fortune did not give annual income or net worth figures for individuals in the Mafia, a network that the FBI estimates has 1,700 initiated members in about 25 cities.

But Peter Reuter, a Rand Corp. economist who has studied organized crime, said the rankings probably meant very little.

"I couldn't make an accurate list, and neither can anybody else," he said. "This is entertainment, like most organized crime reporting."

DATE OCTOBER 23, 1986

PUBLICATION THE MILWAUKEE JOURNAL

DCIR FILE NUMBER OC-1

COMMENTS RECEIVED OCT 29 1986

DJ-DCI-43 (Rev. 7/79)

WISCONSIN DEPARTMENT OF JUSTICE
DIVISION OF CRIMINAL INVESTIGATION

Federal prosecutor asks judge to make Balistrieri letters public

A government prosecutor Wednesday asked a federal judge to make public letters written by Joseph P. Balistrieri and his mother, Antonina Balistrieri, in support of sentence reductions for Joseph and his brother, John J. Balistrieri.

The letters were submitted to Judge Terence T. Evans about two weeks ago with a request that they be sealed for personal reasons.

Another letter written to Evans by John Balistrieri, 38, which contained a venomous attack on the brothers' father, reputed Milwaukee mob boss Frank P. Balistrieri, was filed as a matter of public record two weeks ago.

John Franke, chief of the Milwaukee office of the US Justice Department's Organized Crime Strike Force, filed a document objecting to the sealing of the documents.

"The only reason offered for the requested sealing is that the letters are personal and that the defendant and Mrs. Balistrieri wish them to be confidential," the document said.

Franke said the government's policy favored "open proceedings in the absence of compelling reasons for closure."

The document filed by Franke opposes motions to reduce the sentences of John and Joseph Balistrieri, 46, that were filed almost two weeks ago.

Frank Balistrieri, 68, is serving concurrent 10- and 13-year sentences for racketeering, extortion and gambling convictions in Kansas City and Milwaukee.

The government document said Joseph Balistrieri's 73-page letter is "little more than a lengthy and convoluted assertion of complete innocence" that should be disregarded by the court.

DATE OCTOBER 30, 1986

PUBLICATION MILWAUKEE SENTINEL

DCIR FILE NUMBER OC-1

COMMENTS RECEIVED NOV 7 19

NEWSPAPER CLIPPING
DJ-DCI-43 (Rev. 7/79)

WISCONSIN DEPARTMENT OF JUSTICE
DIVISION OF CRIMINAL INVESTIGATION

Balistrieri pleads for lesser term

Says Breier could substantiate legality of his conduct

By DAVID E. UMHOEFER
of The Journal Staff

Frank P. Balistrieri pleaded for a reduced sentence Wednesday, invoking the name of retired Milwaukee Police Chief Harold A. Breier in his defense and bemoaning life in a Pennsylvania prison cell.

In a typed letter to Federal Judge Terence T. Evans, Balistrieri, 68, admitted "mistakes and wrong judgments" but maintained that evidence showed his complete innocence of any crime.

The letter makes one short but telling reference to his sons, John and Joseph, both of whom were imprisoned on charges resulting from the same case that sent Frank Balistrieri to prison and who have lamented their father's influence on them in separate letters seeking clemency. The brothers labeled their father an "evil man" in letters asking Evans for reductions of their sentences. Frank, the brothers said, is responsible for their prison sentences on the 1984 extortion conviction.

Frank Balistrieri made reference to his sons' accusations.

"With all of the punishment I have been given, it does not compare to that of losing the relationship with my sons, which was once one of idolatry, to one that now can never be regained, is punishment enough," he wrote.

Buttressing Balistrieri's contention Wednesday that poor health makes his 13-year term tantamount to a death sentence was an affidavit filed by a Madison doctor. The doctor said that after reviewing Balistrieri's medical records, he thought Balistrieri had cancer of the colon.

Balistrieri's letter, weary in tone and less than three pages, dwells on medical problems but also takes up the various accusations made about the Balistrieri family during his longtime tenure as reputed head of organized crime here.

"For over twenty years, I have been the target of the most intensive investigation possible on a city, state and federal level . . . by legal or illegal means," Balistrieri wrote. "With all this put together, there is not one single instance where I talked about or committed an illegal act or crime. . . .

"Chief Harold Breier, who I met when he was on the Vice Squad, and first started in business in 1945, will substantiate that there is no record or report in the entire Police Department that will show even a suspicion of any involvement with loan sharking.

"He had personal knowledge along with records and reports of other police officers . . . that I always conducted my business in an orderly and legal way, complied with every order, and cooperated whenever requested to do so."

Breier maintained throughout his career that there was no prosecutable evidence of organized crime in Milwaukee.

Balistrieri also denied ever dealing in drugs, loan sharking or running a prostitution ring, activities he said "are the ones most mentioned with organized crime."

As for prostitution, Balistrieri said Police Chief Robert J. Ziarnik, a former Vice Squad chief, and former prosecutor Franklyn Gimbel, now president of the State Bar Association, "could not find any entertainer or female employe that could say they were ever asked to do anything wrong or indecent."

Asked to comment, Ziarnik said he could recall no prostitution investigation involving Balistrieri while he headed the Vice Squad.

As for drugs, Balistrieri said, "money has had its lure on me . . . but there is no amount of money that can entice me to get it from drugs, which completely destroy families."

He called his 13-year sentence — on convictions in 1983 and 1984 for sports bookmaking and for extortion involving attempts to take over a dummy vending machine business set up by the FBI — a "harsh sentence in view of the fact there was no monetary gain or any victims of violence."

His surprise guilty plea last year in Kansas City during his trial on charges of skimming gambling profits from Las Vegas casinos was due solely to a doctor's diagnosis of internal bleeding, low blood volume and suspected colon cancer, he wrote. In that case, he is serving a 10-year term concurrent with the 13-year sentence.

DATE DECEMBER 10, 1986

PUBLICATION THE MILWAUKEE JOURNAL

DCIR FILE NUMBER OC-1

COMMENTS RECEIVED [illegible] 1986

THE MILWAUKEE JOURNAL
DECEMBER 10, 1986
OC-1 Page -2

"In agony, believing to have cancer, and knowing that I could never endure another trial, I decided to accept the offer and put an end to one phase of this horrible nightmare," Balistrieri said.

Balistrieri admitted refusing tests and procedures to fully diagnose his problems, saying he was wary of complications and "additional pain and suffering."

"Also, if the test results are positive, the only remedy is chemotherapy or surgery. It's bad enough to be sick in a place like this, and it would not be wise to go through the agony of chemotherapy, and the risk of surgery, just to live longer in here."

"The 10 grueling trips to seven prisons, locked up in segregation, or the hole . . . degraded at El Reno to sit on the floor all night because there was excrement on the mattress . . .

"The humiliation . . . of having people and children stare at me in chains and leg irons in busy private hospitals. This and everything else that has happened to me has taken much from me physically and punished me beyond that which I truly deserve."

Balistrieri told Evans that he wanted to return to Milwaukee only to see his family.

"It's ironic that I do not have any desire to come back to Milwaukee . . . when I turned down a good opportunity to move to Las Vegas, because I didn't want my children raised in that kind of environment," he wrote.

Balistrieri is seeking three things from Evans:

- Halving of his 13-year sentence on the convictions for sports bookmaking and extortion, and conversion of his concurrent, 10-year sentence for skimming Las Vegas casino gambling profits to five years' probation.
- A recommendation that he be paroled immediately if his health deteriorates to a life-threatening situation.

Frank P. Balistrieri

- A recommendation to the US Bureau of Prisons that he serve the rest of his term at the minimum-security federal prison in Lexington, Ky. He is now assigned to a maximum-security prison in Lewisburg, Pa.

Glenn Reynolds, Madison, Balistrieri's attorney, said Balistrieri's mandatory release date was Aug. 9, 1992. Balistrieri, who has served about 31 months so far, would be 74 in 1992.

In support of his contention that Balistrieri suffers from life-threatening medical problems, Reynolds filed an affidavit containing the diagnoses of John F. Morrissey, a physician at University Hospital and Clinics in Madison.

Morrissey, a specialist in treating diseases of the stomach and intestines, has not personally treated Balistrieri. He based his findings on a review of prison medical records from 1986.

Morrissey concluded that there was a reasonable medical probability that Balistrieri's reported troubles with internal bleeding were caused by cancer of the colon. A second, less likely possibility, he said, was a lesion.

A second serious condition is a hernia of the groin area and related complications, Morrissey said. This will require surgery and, together with diagnosis and treatment of the internal bleeding source, a period of hospitalization, he said.

RECEIVED DEC 1986

CASE REPORT
DJ-DCI-3 (Rev. 4/74)

1. Case Number	Wisconsin Department of Justice
OC-1	DIVISION OF CRIMINAL INVESTIGATION
2. Date	
August 26, 1976	

3. TITLE OF CASE

FRANK PETER BALISTRIERI

4. CHARACTER OF CASE	5. REPORT MADE BY
Intelligence	S/A HAROLD S. ENGELBART
6. CASE STATUS	**7. INVESTIGATIVE PERIOD**
In-Active	May 27, 1976 thru Aug. 26, 1976

8. SYNOPSIS

This intelligence file was opened on May 27, 1976.

There is listed a general background for FRANK BALISTRIERI and his two sons, JOSEPH and JOHN.

The BALISTRIERI business interests are also described with specifics for the AD-LIB, BRASS RAIL, CENTRE STAGE and SHORE-CREST HOTEL.

HSE:sjw

APPROVED Russell Nelson 8-27-76. RECEIVED AUG 31 1976

This document contains neither recommendations nor conclusions of the Division of Criminal Investigation, Wisconsin Department of Justice. It is the property of this Division and is loaned to your agency. Its contents are not to be distributed outside your agency.

TABLE OF CONTENTS

		Page(s)
I.	Predication	3
II.	Identification	
	A. Frank Balistrieri	4
	B. Joseph Balistrieri	5
	C. John Balistrieri	6
III.	Family Activity	7 - 8
IV.	Business Interests	
	A. Real Estate	9
	B. Tavern Licenses	10
	1. AD Lib.	11
	2. Brass Rail	12
	3. Centre Stage	13 - 15
	4. Shorecrest Hotel	16 - 18
	5. Employees-Centre Stage & Shorecrest	19 - 31
V.	F.B.I. Information	32 - 33

PREDICATION PAGE

On September 1, 1975, all Organized Crime Intelligence files were administratively closed when the DCI Organized Crime Bureau went out of existence.

The intelligence function was transferred to the General Investigations Bureau at that time. These cases were to be reopened for intelligence gathering on a selective basis for a specific period of time. The primary focus of the new intelligence function was to uncover grounds for tactical cases to be opened upon completion of the intelligence investigation. However, in some cases such as this, intelligence is being updated because the subject is of interest to law enforcement agencies throughout the country. Constant inquiries are made to this division by other law enforcement agencies regarding the associates, business activities, and possible out of state connections involving FRANK BALISTRIERI.

On May 27, 1976, Administrator FRANK A. MEYERS approved reopening this case file for a period of 60 days.

A thirty day extension was requested in addition to the 60 days to allow sufficient time to complete this case file.

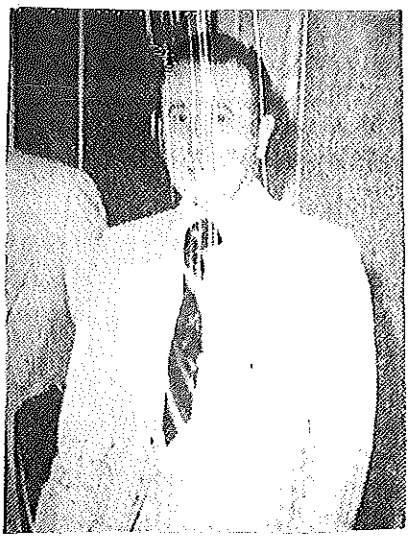


Photo - Milwaukee Journal - October 23, 1975

NAME: FRANK PETER BALISTRIERI
D.O.B.: [redacted]
P.O.B.: Milwaukee, Wisconsin
RESIDENCE: 3043 North Shephard Avenue
Milwaukee, Wisconsin 53211
DESCRIPTION: W/M, 5'8", 150 lbs., brown hair, brown eyes
EMPLOYMENT: Manager, CENTRE STAGE THEATRE,
642 North 2nd Street, Milwaukee
S.S.N. #: [redacted]
WIS. D.L.#: [redacted]
F.B.I. #: [redacted]
SPOUSE: ANTONINA B. (nee: ALIOTO [redacted])
CHILDREN: JOSEPH P. BALISTRIERI D.O.B. [redacted]
BENEDETTA BALISTRIERI D.O.B. [redacted]
JOHN J. BALISTRIERI D.O.B. [redacted]
CATHERINE BALISTRIERI D.O.B. [redacted]

Photo - Milwaukee Journal - October 23, 1975

NAME: JOSEPH PETER BALISTRIERI
D.O.B.: [redacted]
P.O.B.: Milwaukee, Wisconsin
RESIDENCE: 3043 North Shephard Avenue
Milwaukee, Wisconsin 53211
DESCRIPTION: W/M, 6'0", 155 lbs., brown hair, brown eyes
S.S.N. #: [redacted]
WIS. D.L.#: [redacted]
MARITAL STATUS: Single
EMPLOYMENT: Attorney - Law Firm of Balistrieri & Balistrieri
212 West Wisconsin Avenue, Milwaukee, Wisconsin

Photo - Milwaukee Journal - October 23, 1975

NAME: JOHN J. BALISTRIERI
D.O.B.: [redacted]
P.O.B.: Milwaukee, Wisconsin
RESIDENCE: [redacted]
Milwaukee, Wisconsin
DESCRIPTION: W/M, 5'11", 160 lbs., brown hair, brown eyes
S.S.N. #: [redacted]
WIS. D.L.#: [redacted]
MARITAL STATUS: Single
EMPLOYMENT: Attorney - Law Firm of Balistrieri & Balistrieri
212 West Wisconsin Avenue, Milwaukee, Wisconsin

DETAIL PAGE:

FAMILY ACTIVITY

WIFE: ANTONINA B. BALISTRIERI is carried on the payroll of the SHORECREST HOTEL. In 1975, the tax records showed that she was paid $11,847.00. It is not known what her job category is, but she apparently assumes a manager's position. She purportedly does appear at the SHORECREST HOTEL on most mornings.

SON: JOSEPH P. BALISTRIERI is an established Attorney and has been appointed as a Court Commissioner for Milwaukee County Circuit Court Judge HUGH O'CONNELL.

JOSEPH BALISTRIERI is an apparent conduit for Teamster Fund money. However, the actual influence affecting loans is suspected to emanate from FRANK BALISTRIERI with JOSEPH as the visible figure.

Several examples known to exist involve a HOWARD MEISTER--CONTINENTAL BANK loan in 1968 which was set up with Teamster money to support a loan involving the purchase of the KING'S IV TAVERN by BALISTRIERI. Another case involves JOSEPH BALISTRIERI'S law suit against ANDREW LACOCO'S estate in California for $250,000.00 as BALISTRIERI'S share in setting up a 2 1/2 million loan to LACOCO by the Teamsters. A third example is the LEO ROETHE case which involved JOSEPH BALISTRIERI receiving a check for $50,000.00 as a commission. These examples had been documented in previous D.C.I. reports.

JOSEPH BALISTRIERI normally represents the BALISTRIERI interests during civil and criminal litigation. He is the public spokesman for the BALISTRIERI interests and publicly ridicules the concept of a "Mafia" in Milwaukee.

SON: JOHN J. BALISTRIERI graduated from ValParaiso University Law School in Indiana in 1973. At that time, JOHN showed income from the Hotel, Motel, Restaurant Employee & Bartender's Union Local #122. JOHN was allegedly being groomed to take over PHIL VALLEY'S control of that labor local upon VALLEY'S retirement. However, he has since joined in a law practice partnership with his brother.

DAUGHTERS: BENEDETTA and CATHERINE BALISTRIERI are both on the payroll of the SHORECREST HOTEL. The work function they perform is unknown.

BENEDETTA is planning a fall wedding this year to a C[redacted] G[redacted], [redacted], Milwaukee. G[redacted] is in the music promotion business and has been associated with individuals in the controlled substance trade.

Little else is known about the BALISTRIERI girls.

DETAIL PAGE:

BUSINESS INTERESTS

In looking at FRANK P. BALISTRIERI'S business interests it appears that he has nothing of value. Everything, including FRANK'S residence and automobiles, is owned by his son, JOSEPH P. BALISTRIERI. However, for the purposes of this report, the assumption is made that FRANK P. BALISTRIERI directs and controls all of the operations that are in the name of his son.

Some of the properties known to be owned by JOSEPH P. BALISTRIERI are:

[redacted], Milwaukee	Residence
[redacted], Milwaukee	Multi-Family Residence
[redacted], Milwaukee	BENEDETTA & CATHERINE BALISTRIERI'S Residence
[redacted], Milwaukee	Single Residence
[redacted], Milwaukee	Single Residence
[redacted], Milwaukee	Single Residence
3043 North Shepard, Milwaukee	FRANK BALISTRIERI'S Residence
[redacted], Milwaukee	SHORECREST HOTEL
[redacted], Milwaukee	Residence
744 North 3rd Street, Milwaukee	BRASS RAIL TAVERN

DETAIL PAGE:

FRANK P. BALISTRIERI is suspected to control the following Class "B" liquor and beer licensed premises located in the City of Milwaukee.

AD LIB 325 - 327 West Wells Street

BRASS RAIL 744 North 3rd Street

CENTRE STAGE DINNER PLAYHOUSE 624 North 2nd Street

SHORECREST HOTEL 1962 North Prospect Avenue
(Tavern Business Unnamed)

Specific information regarding the above businesses follows in this report.

DETAIL PAGE:

A. D. LIB

License held by N[redacted] [redacted] F[redacted], D.O.B. [redacted], [redacted], Milwaukee, for 1975-1976.

Formerly licensed to JOSEPH ENEA, now deceased. ENEA was a long time employee of BALISTRIERI'S.

The building and fixtures are owned by TOWNE REALTY, INC.

This licensed premises has not opened for business since FERRARO has obtained the license. It has been operated as a go-go and burlesque type operation in the past.

F[redacted] had been a personal aide to ROCCO YOUSSE at DEL CHEMICAL COMPANY before YOUSSE was convicted of Bribery in the State of Wisconsin.

DETAIL PAGE:

BRASS RAIL

This license is held by RUDOLPH PORCHETTA, [redacted], Milwaukee, Wisconsin.

The building and fixtures are owned by JOSEPH BALISTRIERI.

PORCHETTA had been the registered Agent for the OLD BEN-KAY CORPORATION, d/b/a DOWNTOWNER BAR, a strip joint that had been ripped down for City redevelopment. FRANK BALISTRIERI had listed himself as manager of the DOWNTOWN in years past.

The BRASS RAIL which had also been a strip joint in the past is now operated as a delicatessen restaurant. However, PORCHETTA normally does not work there as he is carried on the payroll of the CENTRE STAGE DINNER THEATRE where he is usually found tending bar.

DETAIL PAGE:

CENTRE STAGE DINNER PLAYHOUSE

This liquor license is registered to PETER BALISTRIERI, 1634 North Jackson Street, Milwaukee, Wisconsin, the brother of FRANK.

The building and fixtures are owned by the HOTEL ANTLERS, INC. at the same address.

The general business conducted here consists of dinner theatre acts generally with big name star attractions.

FRANK BALISTRIERI currently shows himself as manager of the business and receives his only apparent income from this operation.

This business is constantly involved in Civil Litigation whereby creditors are trying to collect money for services.

A review of Milwaukee Circuit and County Civil suits involving this business revealed the following cases had been initiated, but are closed at this time:

Plaintiff - ACTORS EQUITY ASSOCIATION	CIRCUIT CASE 441230 CASE TYPE 08001 YEAR 1976
Plaintiff - ACTORS EQUITY ASSOCIATES	CIRCUIT CASE 435 - 138 CASE TYPE 05005 YEAR 1975
Plaintiff - DAVE MILIER COSTUME SHOP, INC.	COUNTY CASE C67-973 YEAR 1973
Plaintiff - DAVE MILIER COSTUME SHOP, INC.	COUNTY CASE C91-302 YEAR 1975
Plaintiff - BRENNAN - MORRISEY ASSOCIATE A DIVISION OF COMMUNICATIONS, INC.	COUNTY CASE C71-465 YEAR 1974

Note: A letter dated July 30, 1974, in the file to JOSEPH BALISTRIERI reveals a stipulation that FRANK BALISTRIERI is a partner of PETERS in this business.

Plaintiff - ACTORS EQUITY ASSOCIATE	CIRCUIT 411418 CASE TYPE 08001 YEAR 1973
Plaintiff - MUSIC THEATRE, INTERNATIONAL	COUNTY C74-125 YEAR 1973
Plaintiff - LEE O'CONNELL d/b/a GINGISS FORMALWEAR CENTER	COUNTY C75-426 YEAR 1973
Plaintiff - LAVERN & BEELAB HUNTSINGER	COUNTY C74-640
Plaintiff - JACK BRIGHT PRODUCTIONS	COUNTY C71-450

FRANK P. BALISTRIERI generally conducts his "business" at the CENTRE STAGE. He meets with and entertains influential citizens at this premises. Although his brother, PETER, is the licensee, most people refer to FRANK as the "Boss" of the CENTRE STAGE.

Milwaukee City Aldermen, Milwaukee County Supervisors and Judges have frequented this business and openly show a friendship with FRANK P. BALISTRIERI.

A November 11, 1975, Milwaukee Journal newspaper article referred to a Civil Judgement Award against FRANK and PETER BALISTRIERI in favor of JACKIE BRIGHT PRODUCTIONS, a musical show producer. In the article it was stated that evidence pointed to FRANK BALISTRIERI as the owner and operator of the CENTRE STAGE THEATRE.

Portions of that article are as follows:

> A judge said Tuesday that evidence in a breach of contract suit indicated that a New York City theatrical producer was led to believe that Frank P. Balistrieri was the owner of the Centre Stage Dinner Playhouse in June, 1973....
>
> ..."Jackie Bright testified that Frank Balistrieri told him he was the owner of the Centre Stage Dinner Theater at the time of their negotiations," the decision said. "Frank Balistrieri, in his testimony, never denied telling Jackie Bright he was the owner at the time of the negotiations."

The evidence is uncontroverted that Bright was led to believe that Frank Balistrieri was the owner of the theater at the time of the negotiation of the contract and thereafter.

DETAIL PAGE:

SHORECREST HOTEL

This one million dollar property was purchased by JOSEPH P. BALISTRIERI about 1971 with the proceeds from the KING'S IV premises and a guaranteed loan from FIRST FEDERAL SAVINGS & LOAN as part of the sales transaction for the KING'S IV.

At the time of purchase, KOSTA'S WHITE MANER INN held the liquor and beer license at the SHORECREST HOTEL. In 1975, KOSTA moved and a license was applied for by A[redacted] C[redacted], a former U.W.M. student. Various allegations were made at the time that BALISTRIERI would actually control the licensed premises.

The operation under C[redacted]'S license has not been started as of this date. Considerable remodeling is going on at the SHORECREST.

On July 22, 1976, Special Agent HAROLD S. ENGELBART reviewed a liquor license file at the Milwaukee City Clerk's Office for the SHORECREST HOTEL, 1962 North Prospect Avenue, Milwaukee, Wisconsin. S/A ENGELBART had to sign a sheet in the folder showing that he had reviewed the contents.

On August 15, 1975, A[redacted] C[redacted], D.O.B. [redacted], of [redacted], Milwaukee, Wisconsin (Home phone: [redacted]) had filed an application with the City of Milwaukee for a liquor and beer license at the SHORECREST HOTEL.

The information pertaining to C[redacted] in the liquor license file is summarized as follows:

C[redacted] stated that he is single and has resided at his current address for the past two years. From September 1972, to January of 1973, he was a student at the UNIVERSITY OF WISCONSIN - MILWAUKEE. From January 1973 to the present, he was involved in property management for S[redacted] C[redacted] of [redacted], Milwaukee, Wisconsin.

C[redacted] stated that he had no arrest record. There were several letters in the file. A letter dated August 15, 1975, from JOSEPH BALISTRIERI to A[redacted] C[redacted] listed the lease arrangements which would be entered into between BALISTRIERI as lessor, and C[redacted] as lessee. Briefly, the arrangement was that C[redacted] will have a written lease for a period of July 1, 1975, to August 31, 1980. There will be a monthly rental of $1500.00 plus a 10% fee over the gross sales of $25,000 per month being paid to the lessor. There would be no security deposit and the remodeling and decorating would be done by the owner.

A letter dated September 18, 1975, from former Milwaukee City Alderman ED GRIFFIN to HELMUTH WOLF, Chief License Clerk, requesting an investigation of this liquor license application as GRIFFIN questioned the control over the operation being maintained by C[redacted].

A letter dated September 22, 1975, from MR. WOLF to GRIFFIN advised that WOLF had investigated the matter and found the situation to be proper.

On October 21, 1975, a City of Milwaukee Class B liquor and beer license, #B1955, was granted to A[redacted] C[redacted], for the first floor and basement storage of the premises located at 1962 North Prospect Avenue, Milwaukee, Wisconsin.

There was no information in the file indicating that the license had been renewed for the period July 1976 to July 1977. A license clerk checked an index file and stated that the Class B liquor and beer license issued to C[redacted] had been renewed on June 22, 1976, and the additional information would be in the file at a later date.

On August 13, 1976, Special Agent ENGELBART contacted A[redacted] C[redacted] at C[redacted]'S residence. S/A ENGELBART identified himself and asked to come in C[redacted]'S residence so he could talk to him. C[redacted] first stated that S/A ENGELBART could talk to him on the front porch while C[redacted] remained in the hallway with the door half open.

S/A ENGELBART proceeded to ask C[redacted] about the liquor license operation at the SHORECREST. C[redacted] stated that the owners were having problems with the remodeling and he has not as of this time opened for business. After a few moments, C[redacted] invited S/A ENGELBART inside the residence which is the upstairs apartment in a duplex.

C[redacted] stated that he was in the business of managing six different properties which he owned. He said that he got into the tavern business because he wanted to make money.

C[redacted] was very abrupt and unfriendly during the interview and became extremely agitated when S/A ENGELBART asked him how he first became acquainted with the owner of the building, JOSEPH BALISTRIERI. C[redacted] shouted at S/A ENGELBART that he knew why

Name and Address	Social Security No.	Amount Paid
J[redacted] I[redacted] [redacted] Chicago, Illinois	[redacted]	$ [redacted]
M[redacted] D[redacted] [redacted] Van Nuys, California	[redacted]	$ [redacted]
L[redacted] F[redacted] [redacted] Skokie, Illinois	[redacted]	$ [redacted]
[redacted] H[redacted] [redacted] Lakeland, Florida	[redacted]	$ [redacted]
[redacted] I[redacted] [redacted] Los Angeles, California	[redacted]	$ [redacted]
John Lombardo [redacted] Los Angeles, California	[redacted]	$ [redacted]
[redacted] M[redacted] [redacted] Milwaukee, Wisconsin	[redacted]	$ [redacted]
J[redacted] M[redacted] [redacted] Milwaukee, Wisconsin	[redacted]	$ [redacted]
S[redacted] N[redacted] [redacted] Milwaukee, Wisconsin	[redacted]	$ [redacted]
J[redacted] N[redacted] [redacted] Milwaukee, Wisconsin	[redacted]	$ [redacted]
G[redacted] N[redacted] [redacted] Milwaukee, Wisconsin	[redacted]	$ [redacted]

Name and Address	Social Security Number	Amount Paid
C[redacted] N[redacted] [redacted] New York, New York	[redacted]	$ [redacted]
D[redacted] C[redacted] [redacted] Milwaukee, Wisconsin		$
K[redacted] C[redacted] [redacted] Milwaukee, Wisconsin		$
K[redacted] P[redacted] [redacted] Valpariso, Indiana		$
N[redacted] P[redacted] [redacted] Homewood, Illinois		$
Anthony Francis Pipito [redacted] Wauwatosa, Wisconsin		$[redacted]
R[redacted] F[redacted] [redacted] Milwaukee, Wisconsin		$ [redacted]
M[redacted] P[redacted] [redacted] Greenfield, Wisconsin		$
G[redacted] S[redacted] [redacted] Milwaukee, Wisconsin		$
J[redacted] S[redacted] [redacted] Glen Ellyn, Illinois		$
S[redacted] S[redacted] [redacted] LaGrange Park, Illinois		$ [redacted]

Name and Address	Social Security No.	Amount Paid
L[redacted] U[redacted] [redacted] Omaha, Nebraska	[redacted]	$[redacted]
P[redacted] W[redacted] [redacted] Chicago, Illinois		$[redacted]
A[redacted] Z[redacted] [redacted] Milwaukee, Wisconsin		$[redacted]
S[redacted] Z[redacted] [redacted] Milwaukee, Wisconsin		$[redacted]
[redacted] H[redacted] [redacted] Oregon, Wisconsin		$[redacted]
A[redacted] H[redacted] c/o Antlers Motel [redacted] Milwaukee, Wisconsin		$[redacted]
C[redacted] H[redacted] [redacted] Milwaukee, Wisconsin		$[redacted]
T[redacted] H[redacted] [redacted] Milwaukee, Wisconsin		$[redacted]
K[redacted] H[redacted] [redacted] Milwaukee, Wisconsin		$[redacted]
I[redacted] J[redacted] [redacted] Milwaukee, Wisconsin		$[redacted]
H[redacted] J[redacted] [redacted] Milwaukee, Wisconsin		$[redacted]

Name and Address	Social Security No.	Amount Paid
K[redacted] J[redacted] [redacted] Milwaukee, Wisconsin	[redacted]	$[redacted]
K[redacted] K[redacted] [redacted] Milwaukee, Wisconsin		$[redacted]
V[redacted] W[redacted] [redacted] Milwaukee, Wisconsin	[redacted]	$[redacted]
I[redacted] W[redacted] [redacted] Milwaukee, Wisconsin	[redacted]	$[redacted]
D[redacted] W[redacted] [redacted] Milwaukee, Wisconsin	[redacted]	$[redacted]
G[redacted] S[redacted] [redacted] Milwaukee, Wisconsin	[redacted]	$[redacted]
J[redacted] M[redacted] [redacted] Milwaukee, Wisconsin	[redacted]	$[redacted]
J[redacted] M[redacted] [redacted] Milwaukee, Wisconsin	[redacted]	$[redacted]
M[redacted] M[redacted] [redacted] Shorewood, Wisconsin	[redacted]	$[redacted]
S[redacted] L[redacted] [redacted] Milwaukee, Wisconsin	[redacted]	$[redacted]

Name and Address	Social Security No.	Amount Paid
[redacted] Milwaukee, Wisconsin	[redacted]	$ [redacted]
[redacted] Milwaukee, Wisconsin		$
[redacted] Eau Claire, Wisconsin		$
[redacted] Milwaukee, Wisconsin		$
[redacted] Milwaukee, Wisconsin		$
[redacted] Milwaukee, Wisconsin		$
[redacted] Milwaukee, Wisconsin		$
[redacted] Milwaukee, Wisconsin		$
[redacted] Milwaukee, Wisconsin		$
[redacted]		$
[redacted] Milwaukee, Wisconsin		$

Name and Address	Social Security No.	Amount Paid
R[redacted] C[redacted] [redacted] Milwaukee, Wisconsin	[redacted]	$[redacted]
E[redacted] G[redacted] [redacted] Milwaukee, Wisconsin	[redacted]	$[redacted]
D[redacted] D[redacted] [redacted] Milwaukee, Wisconsin	[redacted]	$[redacted]
R[redacted] F[redacted] [redacted] Chicago, Illinois	[redacted]	$[redacted]
J[redacted] F[redacted] [redacted] Chicago, Illinois	[redacted]	$[redacted]
D[redacted] H[redacted] [redacted] Hollywood, California	[redacted]	$[redacted]
M[redacted] B[redacted] [redacted] Milwaukee, Wisconsin	[redacted]	$[redacted]
E[redacted] R[redacted] [redacted] Milwaukee, Wisconsin	[redacted]	$[redacted]
S[redacted] S[redacted] [redacted] Milwaukee, Wisconsin	[redacted]	$[redacted]
S[redacted] C[redacted]	[redacted]	$[redacted]
D[redacted] T[redacted] [redacted] Cicero, Illinois	[redacted]	$[redacted]

Name and Address	Social Security No.	Amount Paid
M[redacted] M[redacted] [redacted] Chicago, Illinois	[redacted]	$[redacted]
L[redacted] L[redacted] [redacted] Chicago, Illinois		$
N[redacted] S[redacted] [redacted] Glenview, Illinois		$
R[redacted] R[redacted] [redacted] Chicago, Illinois		$
R[redacted] K[redacted] [redacted] Milwaukee, Wisconsin		$
P[redacted] S[redacted] [redacted] Milwaukee, Wisconsin		$
W[redacted] S[redacted] [redacted] Milwaukee, Wisconsin		$
D[redacted] S[redacted] [redacted] Wauwatosa, Wisconsin		$
D[redacted] P[redacted] [redacted] Milwaukee, Wisconsin		$
A[redacted] N[redacted] [redacted] Wauwatosa, Wisconsin		$
M[redacted] D[redacted] [redacted] Milwaukee, Wisconsin		$

Name and Address	Social Security No.	Amount Paid
I[redacted] C[redacted] [redacted] Milwaukee, Wisconsin	[redacted]	$[redacted]
S[redacted] B[redacted] [redacted] Milwaukee, Wisconsin		$[redacted]
A[redacted] B[redacted] [redacted] Milwaukee, Wisconsin		$[redacted]
M[redacted] V[redacted] [redacted] Mt. Prospect, Illinois		$[redacted]
V[redacted] W[redacted] [redacted] Evanston, Illinois		$[redacted]
D[redacted] W[redacted] [redacted] Chicago, Illinois	[redacted]	$[redacted]
R[redacted] S[redacted] [redacted] Stukney, Illinois		$[redacted]
M[redacted] G[redacted] [redacted] Oklahoma City, Oklahoma		$[redacted]
C[redacted] R[redacted] [redacted] Los Angeles, California		$[redacted]
G[redacted] G[redacted] [redacted] Chicago, Illinois		$[redacted]
D[redacted] W[redacted] [redacted] Chicago, Illinois		$[redacted]

Name and Address	Social Security No.	Amount Paid
T[redacted] E[redacted] [redacted] Milwaukee, Wisconsin	[redacted]	$[redacted]
D[redacted] F[redacted] [redacted] Chicago, Illinois		$[redacted]
G[redacted] C[redacted] [redacted] Libertyville, Illinois		$[redacted]
W[redacted] S[redacted] c/o Plaza Motel [redacted] Milwaukee, Wisconsin		$[redacted]
F[redacted] P[redacted] c/o Antlers Hotel [redacted] Milwaukee, Wisconsin		$[redacted]
V[redacted] B[redacted] [redacted] Milwaukee, Wisconsin		$[redacted]
R[redacted] A[redacted] c/o Antlers Hotel [redacted] Milwaukee, Wisconsin		
Joseph Maniaci [redacted] Milwaukee, Wisconsin	[redacted]	$[redacted]
J[redacted] L[redacted] [redacted] Milwaukee, Wisconsin		$[redacted]
B[redacted] M[redacted] [redacted] Whitefish Bay, Wisconsin		$[redacted]

Name and Address	Social Security No.	Amount Paid
Frank Balistrieri 3043 North Shepard Avenue Milwaukee, Wisconsin	[redacted]	$[redacted]
Jeanne Alioto [redacted] Milwaukee, Wisconsin		$[redacted]

Shorecrest Hotel

S[redacted] B[redacted] [redacted] Milwaukee, Wisconsin	[redacted]	$[redacted]
R. I[redacted] [redacted] Milwaukee, Wisconsin		$[redacted]
Catherine Balistrieri [redacted] Milwaukee, Wisconsin		$[redacted]
H[redacted] J[redacted] [redacted] Milwaukee, Wisconsin		$[redacted]
Peter Gaudesi [redacted] Milwaukee, Wisconsin		$[redacted]
R[redacted] L[redacted] [redacted] Milwaukee, Wisconsin		$[redacted]
Antonia Balistrieri [redacted] Milwaukee, Wisconsin		$[redacted]
B[redacted] K[redacted] [redacted] Milwaukee, Wisconsin		$[redacted]
T. R[redacted] [redacted] Milwaukee, Wisconsin		$[redacted]

Name and Address	Social Security No.	Amount Paid
G[redacted] R[redacted] [redacted] Milwaukee, Wisconsin	[redacted]	$[redacted]
H[redacted] A[redacted] [redacted] Milwaukee, Wisconsin		$
D[redacted] S[redacted] [redacted] Milwaukee, Wisconsin		$
D[redacted] P[redacted] [redacted] Milwaukee, Wisconsin		$
M. P[redacted] [redacted] Milwaukee, Wisconsin		$
J[redacted] M[redacted] [redacted] Milwaukee, Wisconsin		$
D[redacted] Z[redacted] [redacted] Milwaukee, Wisconsin		$
B[redacted] Z[redacted] [redacted] Shorewood, Wisconsin		$
M[redacted] F[redacted] [redacted] Germantown, Wisconsin		$
R[redacted] A[redacted] [redacted] Milwaukee, Wisconsin		$
D[redacted] B[redacted] [redacted] Milwaukee, Wisconsin		$

Name and Address	Social Security No.	Amount Paid
E[redacted] S[redacted] [redacted] Milwaukee, Wisconsin	[redacted]	$[redacted]
E[redacted] G[redacted] [redacted] Cudahy, Wisconsin		$[redacted]
B[redacted] B[redacted] [redacted] Milwaukee, Wisconsin		$[redacted]
E. H[redacted] [redacted] Milwaukee, Wisconsin		$[redacted]
A[redacted] I[redacted] [redacted] Milwaukee, Wisconsin		$[redacted]
D[redacted] E[redacted] [redacted] Milwaukee, Wisconsin		$[redacted]
A. C[redacted] [redacted] Milwaukee, Wisconsin		$[redacted]
R. M[redacted] [redacted] Milwaukee, Wisconsin		$[redacted]
G. J[redacted] [redacted] Milwaukee, Wisconsin		$[redacted]

Details:

FEDERAL AGENCY INFORMATION

On July 22, 1976, Special Agent HAROLD S. ENGELBART contacted F.B.I. Special Agents JACK HUNT and GARY MAGNUSON with the Organized Crime Unit in the Milwaukee F.B.I. Office. The F.B.I. has had a surveillance team conducting surveillances of various organized crime figures in the Milwaukee area for the past several months. Special Agent ENGELBART inquired of the F.B.I. as to any intelligence information that they may have pertaining to FRANK P. BALISTRIERI'S current activities.

Special Agent MAGNUSON advised that FRANK BALISTRIERI has been showing little activity since May of 1976. He has been staying around his residence or out of town most of the time. Special Agent MAGNUSON said that BALISTRIERI may be remodeling his residence.

Special Agent MAGNUSON stated that the only apparent legitimate operations being conducted by BALISTRIERI at this time would involve the CENTER STAGE THEATER which has reinstituted booking big name theater acts for the dinner shows. In addition, SHORECREST HOTEL has been in operation as a hotel but has not started the tavern business which was licensed to A[redacted] C[redacted].

The F.B.I. did not have any information about C[redacted] other than that he was a former student and had now applied for the liquor license at the SHORECREST HOTEL.

Special Agent MAGNUSON stated that they had not been conducting any thorough surviellance of FRANK BALISTRIERI, but had occasionally surveilled activities at the SHORECREST HOTEL. There is apparent extensive remodeling going on in the portion of the hotel which had been formerly licensed under the trade name of COSTA'S WHITE MANOR. This would appear to be in preparation for the liquor license operation under C[redacted]'S operation.

Special Agent MAGNUSON stated that during their surveillance at the SHORECREST, they have come up with information about possible contractors doing work there.

A possible paint contractor was observed in March of 1976. A truck, Wisconsin license D37-570, was observed in the parking area with paint supplies. This vehicle is registered to B[redacted] M[redacted], [redacted], Milwaukee, Wisconsin.

An electrical contractor was observed on April 7, 1976. A Wisconsin truck license C89-411 was observed. This vehicle is registered to J[redacted] R[redacted], ELECTRICAL CONTRACTING COMPANY, [redacted], Whitefish Bay, Wisconsin.

Also on April 7, 1976, a truck was observed with Wisconsin license plates CC42-354, which is registered to T[redacted] C[redacted], [redacted], Bayside, Wisconsin. C[redacted] is a plumber for the JOSEPH WITTIG COMPANY.

Special Agent MAGNUSON stated that the architect possibly being used for the remodeling at the SHORECREST is a close friend of FRANK BALISTRIERI'S by the name of J[redacted] F[redacted].

They also had information that the probable manager for the restaurant portion of the operation will be E[redacted] R[redacted], of [redacted], Brown Deer, Wisconsin. R[redacted] was a former hostess of the NANTUCKET SHORES RESTAURANT on East Juneau Avenue.

Special Agent MAGNUSON stated that the F.B.I. had obtained some toll checks for FRANK P. BALISTRIERI'S home phone number and one significant contact that they observed involved regular calls to a J[redacted] F[redacted], D.O.B. [redacted], at River Grove, Illinois. The telephone number called is [redacted]. F[redacted] is described by the F.B.I. as a "heavy member of the outfit." He was in prison with FRANK BALISTRIERI. F[redacted] was serving a five year sentence for interstate transportation of gambling information. He was a trusted Lieutenant of FIFI BUCCIERI and is allegedly into loan sharking activities. F[redacted] has business connections in Miramar, Florida. Special Agent MAGNUSON asked that the D.C.I. not investigate this particular area as they are currently working on it.

Toll checks on FRANK BALISTRIERI'S number also showed that he had contacted SALLY PAPIA in Palm Springs.

Special Agent MAGNUSON stated that BENEDETTA BALISTRIERI may be planning an October wedding to C[redacted] G[redacted].

On July 23, 1976, Special Agent ENGELBART contacted Federal I.R.S. Special Agent WAYNE SAUBERT and inquired about any case or intelligence his agency had in reference to FRANK BALISTRIERI. Special Agent SAUBERT said he was responsible for any FRANK BALISTRIERI investigations by the I.R.S. but he has not activated anything as of this date. He is considering up-dating an investigation for FRANK BALISTRIERI in the near future.

ADMINISTRATIVE PAGE

This report is strictly an intelligence file which should give the reader some idea of what BALISTRIERI is doing today. However, D.C.I. surveillance to determine current activities and associates was not performed during this reporting period. A somewhat extended period of surveillance would normally be essential in making an intelligence case more comprehensive. Due to manpower and case priorities and the limited time in completing this report, surveillance activity was not practicable.

The F.B.I. has brought in a four-man team from another area to conduct surveillances of organized crime figures in the Milwaukee vicinity. Their information as it pertains to FRANK BALISTRIERI will be solicited periodically and added to the OC-1 file. The F.B.I. still considers FRANK BALISTRIERI to have active participation in organized crime circles. A copy of a Chicago organized crime chart, dated June 1975, which was obtained from the F.B.I. shows FRANK BALISTRIERI as "Area Boss - Milwaukee, Wisconsin." The chart is attached to this administrative page because it is not to be reviewed by anyone outside of D.C.I.

Intelligence for tactical purposes against FRANK BALISTRIERI is obviously lacking in this report. Although that type of intelligence was not actively sought, it is very probable that it cannot be obtained for any State case.

The only apparent possibility of evidence of a State violation would be the indication that is commonly made that FRANK BALISTRIERI is operating the CENTRE STAGE THEATER under a license issued to PETER BALISTRIERI. However, this type of a case has been made by the Federal and State government in the past against the BALISTRIERIS without any substantial effect.

CHICAGO ORGANIZED CRIME

JUNE-1975

THIS CHART ILLUSTRATES THE CONTROL BY ORGANIZED CRIME OF GAMBLING AND RELATED ACTIVITIES IN THE CHICAGO AREA.

TONY ACCARDO

[redacted]

[redacted]

[redacted]

WEST SIDE

[redacted]

NORTH SIDE

[redacted]

SOUTH SIDE

[redacted]

LOOP AREA
GUS ALEX

SO. COOK COUNTY & WILL COUNTY

[redacted]

AREA BOSS

[redacted]

[redacted]

[redacted]

[redacted]

[redacted]

[redacted]

[redacted]

"SPECS"

[redacted]

NEAR WEST

[redacted]

NEAR SOUTH

[redacted]

LAKE COUNTY, ILL.

[redacted]

AREA BOSS

[redacted]

[redacted]

JOHN MONTELEONE

[redacted]

GAMBLING OVERSEERS

[redacted]

GAMBLING OPERATORS

[redacted]

[redacted]

[redacted]

McHENRY COUNTY

[redacted]

AREA BOSS

[redacted]

DuPAGE COUNTY

[redacted]

AREA BOSS

[redacted]

[redacted]

ENFORCER

[redacted]

[redacted]

GROUP

[redacted]

GROUP

[redacted]

GROUP

[redacted]

GROUP

[redacted]

GROUP

[redacted]

[redacted]

[redacted]

[redacted]

JOE LOMBARDO

[redacted]

ROCKFORD, ILL.

[redacted]

AREA BOSS

[redacted]

ENFORCER
TONY SPILOTRO

[redacted]

ENFORCER

[redacted]

CHICAGO AREA LABOR

[redacted]

BOLITA

[redacted]

COIN OPERATED MACHINES

[redacted]

CARIBBEAN GAMBLING SHIPS

BOSS

[redacted]

MILWAUKEE, WISC.

AREA BOSS
FK. BALISTRIERI

[redacted]

ENFORCER
JOE LOMBARDO

POLICY

[redacted]

NUMBERS

[redacted]

CASINO GAMBLING

[redacted]

NEWSPAPER CLIPPING
DJ-DCI-43 (Rev. 8/76)

WISCONSIN DEPARTMENT OF JUSTI
DIVISION OF CRIMINAL INVESTIGATION

Pete Peshetts
From Kunde

Balistrieri Arrested in Apartment Fuss

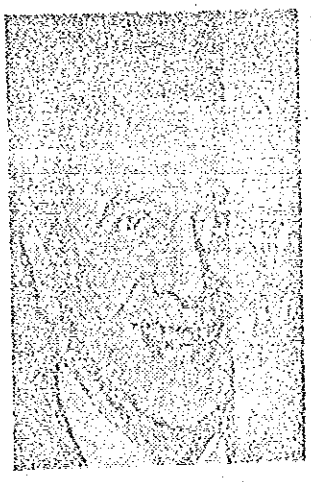
Frank Balistrieri, reputed head of the Milwaukee mafia, was arrested Tuesday morning for hindering police and disorderly conduct after police said they had responded to a report of a woman screaming and being beaten.

Police heard screaming coming from upstairs when they arrived at the Summit House, 1919 N. Summit Ave., shortly after 3 a.m.

By the time they reached Apartment 3A, the door was open and Balistrieri was found alone, pretending to be snoring on the couch, police said. He was surrounded by overturned furniture, clumps of human hair and a pair of broken sunglasses, police said.

The woman who called police, Zhanna Dawson, told Deputy City Atty. David Felger Tuesday that Balistrieri had said to police: "There's nothing happening here. Everything's quiet. Why did you come?"

Balistrieri told police his name was Herman Frank, age 38, and that everything was all right. Balistrieri actually is 61.



Frank Balistrieri

Balistrieri got up and was told to leave and not come back, police said.

Meanwhile, police found the woman who allegedly had been screaming — Nunciatta Antee, 30 — hiding between two cars in the garage. Police said she had a bruised eye, marks on her face and was crying. They described the woman as belligerent. She told them the incident was none of their

Turn to Balistrieri, page 18, col. 5

From Page 1

business and refused to give her name, police said.

Police left, but were called again about 5:25 a.m. concerning screaming coming from the same apartment. On their return, police found the apartment door open and Balistrieri inside. This time he identified himself correctly, and was then arrested.

Balistrieri was released Tuesday morning after posting bail of $82.50, police said.

Ms. Antee was found outside the garage, police said. She was again loud and was cursing the officers, they said.

Police brought her back inside where she allegedly tried to get away from them, first by picking up her daughter from a neighbor on the sixth floor and later by trying to close police out of her apartment. At her door, a struggle ensued between Ms. Antee and an officer.

Police described her as "beat up bad," saying her left eye was almost swollen closed. She refused to make a complaint against Balistrieri, however, and at first would not identify herself.

Ms. Antee was arrested for disorderly conduct and hindering police. She was treated at Mount Sinai Medical Center and released.

Balistrieri and Ms. Antee were ordered to appear in the City Attorney's Office at 8 a.m. Thursday.

COMMENTS

DATE June 12, 1979
PUBLICATION Milwaukee Journal

	WC	GI	VA	DD	FM
COORDINATION		Br.			

SUBMITTING UNIT
DCIR FILE NUMBER OC-1

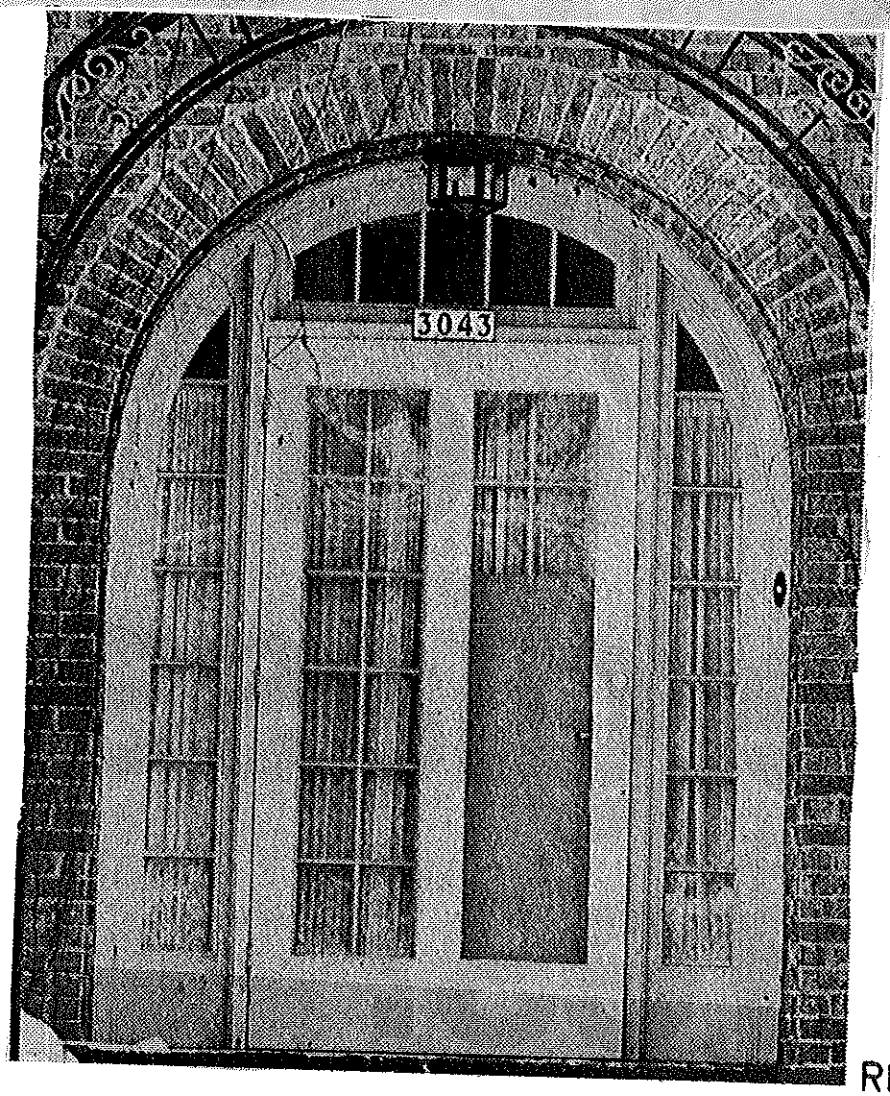
NEWSPAPER CLIPPING
DJ-DCI-43 (Rev. 8/76)

WISCONSIN DEPARTMENT OF JUSTICE
DIVISION OF CRIMINAL INVESTIGATION

FBI seizes records

Armed with search warrants from a federal judge, FBI agents entered several buildings Wednesday to collect documents relating to businesses allegedly associated with reputed Milwaukee Mafia boss Frank P. Balistrieri. The raids were made in connection with the FBI's crackdown on organized crime figures. The raid began when agents entered the Frank Balistrieri home (right) at 3043 N. Shepard Ave. by breaking through the front door (lower).

—*Journal Photos*



RECEIVED MAR 18 1980

COMMENTS

DATE March 6, 1980
PUBLICATION Milwaukee Journal

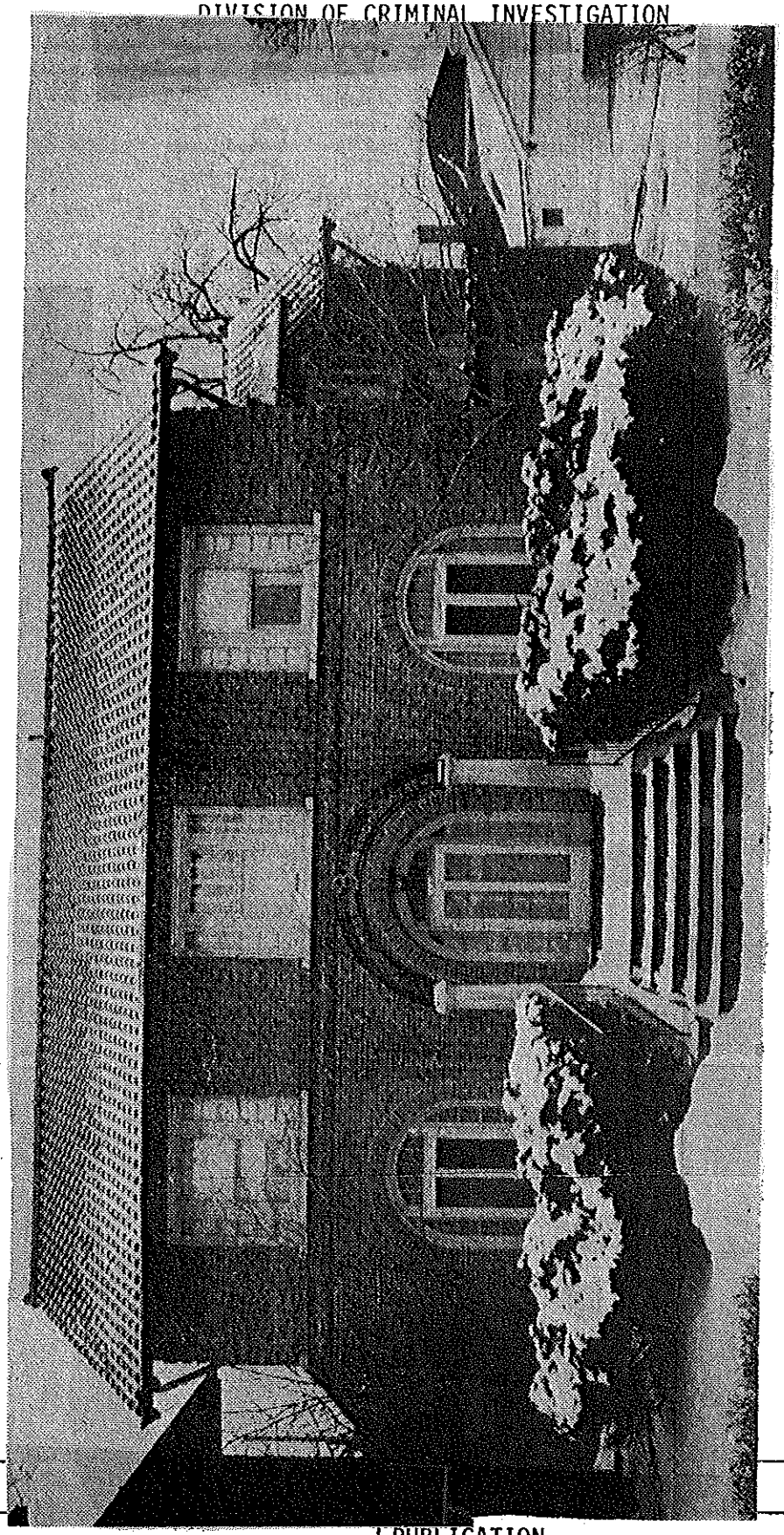
COORDINATION	WC	GI	VA	DD	FM
		Rjh			

SUBMITTING UNIT
DCIR FILE NUMBER

NEWSPAPER CLIPPING
DJ-DCI-43 (Rev. 8/76)

WISCONSIN DEPARTMENT OF JUSTICE

DIVISION OF CRIMINAL INVESTIGATION



RECEIVED MAR 18 1980

COMMENTS

PUBLICATION

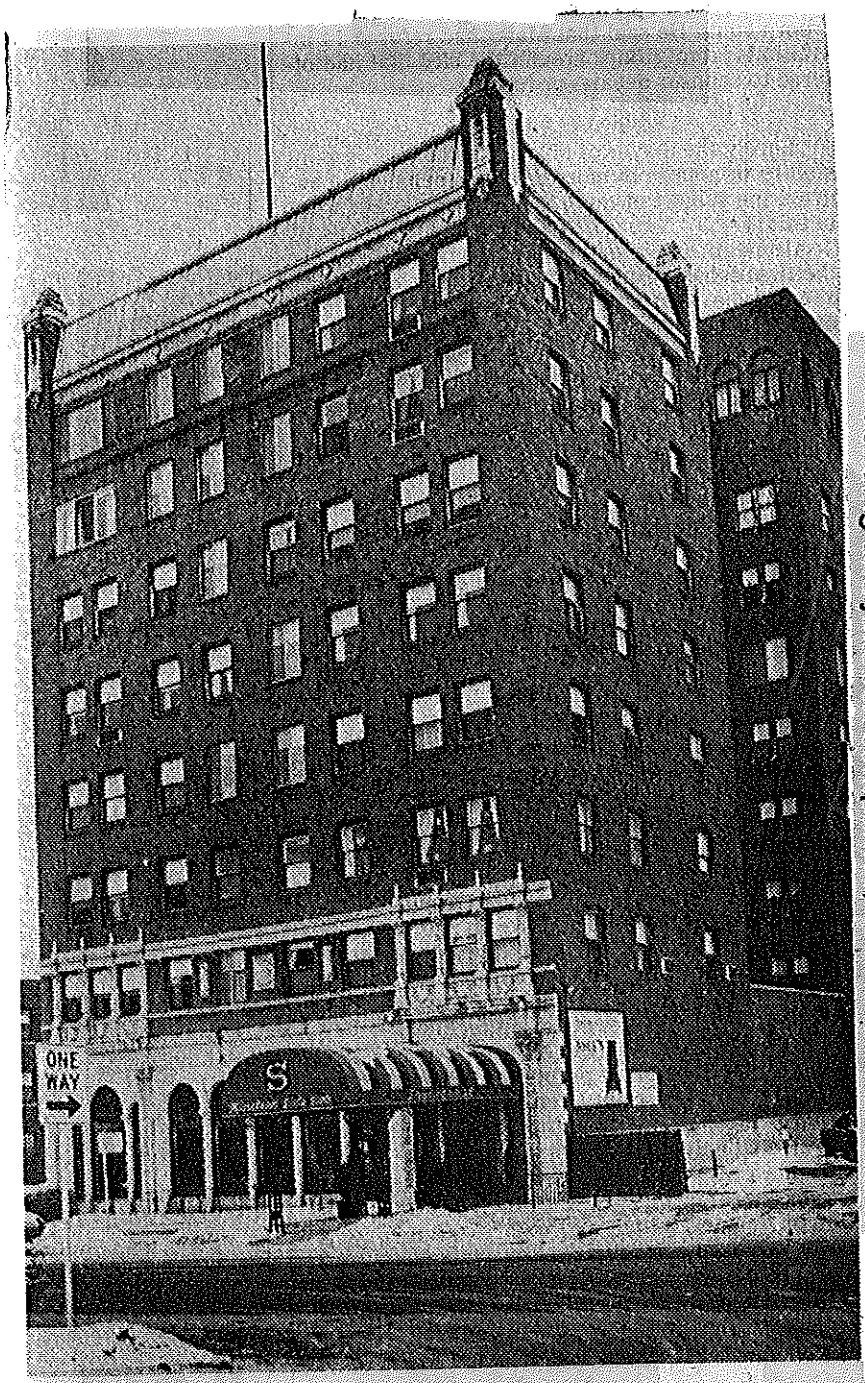
	WC	GI	VA	DD	FM
COORDINATION					

SUBMITTING UNIT

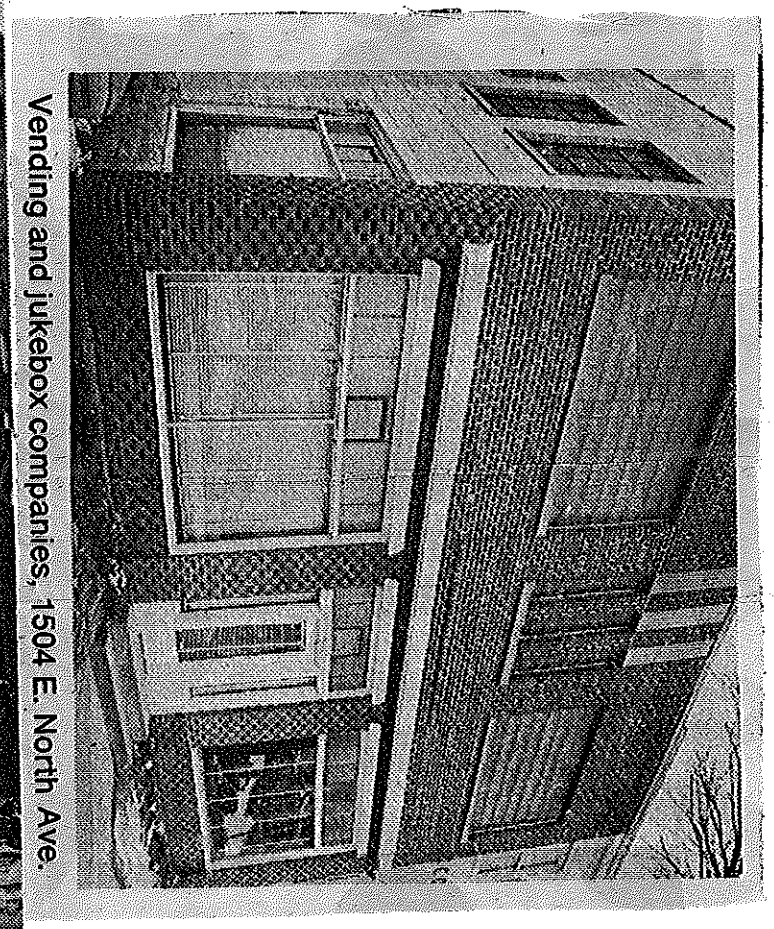
DCIR FILE NUMBER

NEWSPAPER CLIPPING
DJ-DCI-43 (Rev. 8/76)

WISCONSIN DEPARTMENT OF JUSTICE
DIVISION OF CRIMINAL INVESTIGATION



The Shorecrest Hotel, 1962 N. Prospect Ave.



Vending and jukebox companies, 1504 E. North Ave.

RECEIVED MAR 18 1980

COMMENTS

DATE

PUBLICATION

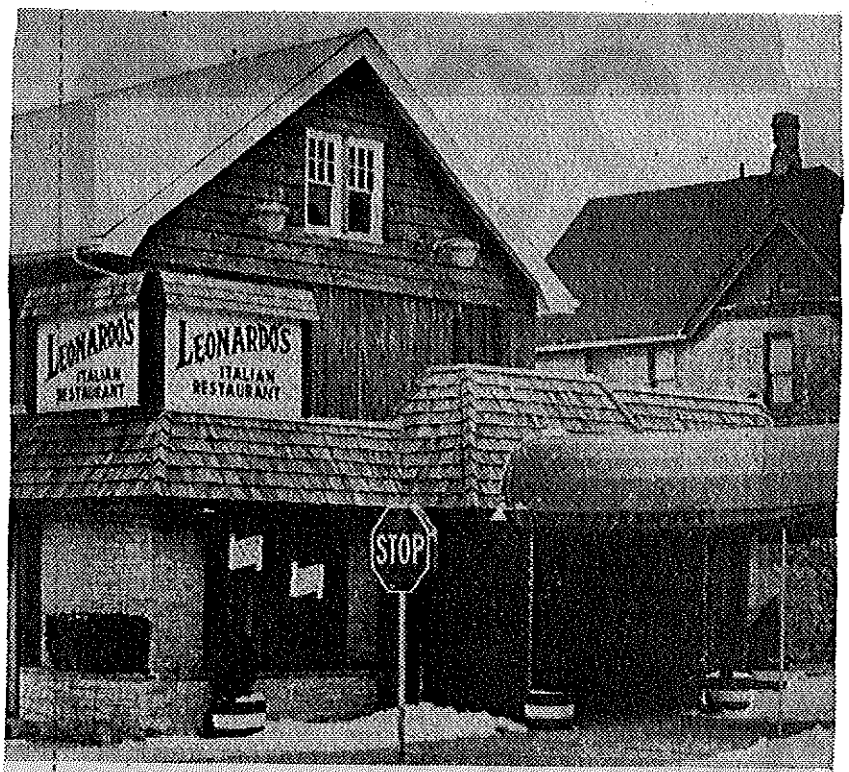
COORDINATION	WC	GI	VA	DD	FM

SUBMITTING UNIT

DCIR FILE NUMBER

NEWSPAPER CLIPPING
DJ-DCI-43 (Rev. 8/76)

WISCONSIN DEPARTMENT OF JUSTICE
DIVISION OF CRIMINAL INVESTIGATION



Leonardo's Restaurant, 1601 N. Jackson St.

RECEIVED MAR 18 1980

COMMENTS

DATE

PUBLICATION

	WC	GI	VA	DD	FM
COORDINATION					

SUBMITTING UNIT

DCIR FILE NUMBER

NEWSPAPER CLIPPING
DJ-DCI-43 (Rev. 8/76)

WISCONSIN DEPARTMENT OF JUSTICE
DIVISION OF CRIMINAL INVESTIGATION

La Scala Restaurant, 323 W. Wells St.

RECEIVED MAR 18 1980

COMMENTS

DATE

PUBLICATION

	WC	GI	VA	DD	FM
COORDINATION					

SUBMITTING UNIT

DCIR FILE NUMBER

NEWSPAPER CLIPPING
DJ-DCI-43 (Rev. 8/76)

WISCONSIN DEPARTMENT OF JUSTICE
DIVISION OF CRIMINAL INVESTIGATION

'Informants' told of mob power

Journal Madison Bureau

Madison, Wis. — The executive editor of U.S. News & World Report says the magazine relied on people knowledgeable about organized crime activities in publishing a report that there are Mafia influences in Milwaukee and Madison.

In a letter to Atty. Gen. Bronson La Follette, Ben Phlegar said informants in Washington, D.C., had "proved to be reliable in the past."

La Follette had written to the magazine asking for an explanation or a retraction of an article and map designating Madison and Milwaukee as "mob power centers."

"We have rechecked with our sources and are confident that the information used in preparation of our map is both reliable and accurate," Phlegar said.

"We are informed that there is, indeed, a small Mafia 'family' headquarters in Madison and a larger and more active 'family' in Milwaukee," he said.

"In reference to Madison, I am sure you also are aware of the reference to organized crime activity in that city contained in 'Vicious Circles,' Jonathan Kwitny's recent book on the control exercised over the cheese industry by the Mafia."

He noted that the magazine identified as mob power centers those cities in which Mafia families had headquarters or in which there was a strong Mafia influence but without headquarters.

"Although organized crime activity is sometimes difficult to measure, it is likely that some 'families' are more active outside their headquarters cities than they are at home," Phlegar said.

RECEIVED MAR 18 1980

COMMENTS

DATE March 9, 1980
PUBLICATION Milwaukee Journal

COORDINATION	WC	GI	VA	DD	FM
		RJ			

SUBMITTING UNIT
DCIR FILE NUMBER

NEWSPAPER CLIPPING
DJ-DCI-43 (Rev. 8/76)

WISCONSIN DEPARTMENT OF JUSTICE
DIVISION OF CRIMINAL INVESTIGATION

Jail decision delayed in crime investigation

Federal Judge Terence Evans deferred Friday for 11 days a decision on whether to jail for contempt a Chicago man who has refused to testify before a grand jury investigating organized crime here.

More evidence is expected to be submitted at a March 18 hearing on whether federal agents tapped the phone of Nicholas Montos during the past two years.

Montos, 63, is a convicted burglar whom government attorneys want to question about the illegal use of explosives, according to Federal Court documents. He has refused to testify on grounds some of the questions are based on the alleged wiretap.

Persons are called to testify before a grand jury because it is believed they have relevant information. Being asked to testify does not imply wrongdoing or guilt.

The grand jury is believed to be investigating the bombing attempt on the life of Vincent Maniaci in 1977.

Federal law requires a witness before a grand jury to be told if questions asked of him are based on information taken from a wiretap.

Deputy US Atty. Michael Trost submitted an affidavit saying that neither he nor Douglas Roller, chief of the Organized Crime Strike Force in Chicago, were aware of Montos' phone or home being bugged or any of his conversations being overheard.

But on the witness stand, Montos said FBI agents began surveillance on him about two years ago including, he said, tapping his phone.

Montos said he bought a police scanner and kept it tuned to frequencies restricted to FBI use.

"I would get a call to go somewhere and then I would hear on the radio, 'He's fixing to leave,' " Montos said. "I'd call an airline and they'd know about it."

"The testimony, if believed, would raise the inference that electronic surveillance was used against Mr. Montos," Evans said.

RECEIVED MAR 18 1980

COMMENTS

DATE March 8, 1980
PUBLICATION Milwaukee Sentinel

COORDINATION	WC	GI	VA	DD	FM
		RJh.			

SUBMITTING UNIT

DCIR FILE NUMBER

NEWSPAPER CLIPPING
DJ-DCI-43 (Rev. 8/76)

WISCONSIN DEPARTMENT OF JUSTICE
DIVISION OF CRIMINAL INVESTIGATION

FBI seizes $200,000 after 2nd warrant issued

Continued From Page 1

The searches were originally authorized in a single warrant issued by Warren, according to federal sources. That warrant applied to "multiple residences" in the City of Milwaukee, the sources said.

A grand jury here is investigating organized crime in Milwaukee. According to documents filed in Federal Court here Tuesday, the grand jury is also looking into the activities of Frank Balistrieri.

According to a neighbor, FBI agents arrived at Frank Balistrieri's home, at 3043 N. Shepard Ave., about 10 a.m.

The neighbor, Bruce Kriviskey, who lives directly across the street, said he was looking out his window waiting for the mailman when a car pulled up and three men got out.

Two of the men went to the front door of Balistrieri's home and the other went to the back door. The men in front appeared to be knocking at the door or ringing the doorbell and apparently didn't get any answer, Kriviskey said.

A second car then pulled up, Kriviskey said, and several of the men removed a sledgehammer from the trunk of that car.

Kriviskey said he wasn't sure if the men broke the window of the door to gain access or if they smashed through the door.

A third car then pulled up and a man with photographic equipment got out and went into the home, Kriviskey said.

A reporter observed eight agents leave the house about 2:30 p.m. along with Joseph Balistrieri and Shellow, who left in separate cars.

The agents carried out three boxes of materials. It appeared that there were papers in some of the boxes.

FRANK P. BALISTRIERI

RECEIVED MAR 18 1980

COMMENTS

DATE

PUBLICATION

	WC	GI	VA	DD	FM
COORDINATION					

SUBMITTING UNIT

DCIR FILE NUMBER

NEWSPAPER CLIPPING
DJ-DCI-43 (Rev. 8/76)

WISCONSIN DEPARTMENT OF JUSTICE
DIVISION OF CRIMINAL INVESTIGATION

The agents also carried out what appeared to be two suitcases.

It was not known if Frank Balistrieri was home during the search.

FBI agents also showed up about 10 a.m. at The Shorecrest to execute the search warrant.

When a reporter arrived at the hotel Wednesday afternoon, there were about 10 agents there, including Glover. About six agents were sitting in the lobby outside the offices of the hotel reading documents. Four other agents were in the offices along with Joseph Balistrieri and Shellow.

Frank Balistrieri arrived at the hotel about 5:45 p.m. and went into an office across from the one being searched.

Atty. John Balistrieri, another son of Frank, was also at the hotel.

At one point, a reporter overheard two agents talking about a document which one of the agents said was the "manager's daily analysis report" from 1977.

When one agent asked the other what the report contained, he replied: "Slots, poker and keno. It's casino action."

The argument between Shellow, Glover and Trost began about 5:30 p.m.

During the argument, Shellow told the officials: "If you take it (the money), you're stealing. If you don't take it, my client will do with it as he sees fit."

Shellow told the officials several times to leave the premises, contending that they were trespassing.

"We are formally asking you to get out," he said at one point. "If you didn't have guns, we would throw you out."

Glover and another agent refused to permit Shellow to photograph the agents in the office. Shellow then asked if someone could be brought in to sketch the agents.

Trost then told Shellow: "Jim, you are bordering on the juvenile. You are bordering on obstructing."

At one point, Glover told Shellow that the federal officials were discussing with Douglas Roller the possibility of getting a second warrant to obtain the money. Roller is in charge of the federal organized crime strike force in Chicago.

The dispute ended about 8:45 p.m. when another agent arrived with the second search warrant. The agents then seized the cash and apparently a box of documents and left.

Joseph Balistrieri purchased The Shorecrest in 1971 for about $1 million.

Last June, the IRS filed an $8,262 tax lien against Joseph Balistrieri in connection with The Shorecrest. The IRS said the $8,262 was in taxes withheld from the wages and tips of hotel employes.

Last week, the IRS filed a $1,436 tax lien against Snugs, Inc., to collect federal income and Social Security taxes witheld from employes' paychecks for December. Joseph Balistrieri is president and registered agent of the corporation, which runs Snug's restaurant in The Shorecrest.

RECEIVED MAR 18 1980

COMMENTS

DATE

PUBLICATION

	WC	GI	VA	DD	FM
COORDINATION					

SUBMITTING UNIT

DCIR FILE NUMBER

NEWSPAPER CLIPPING
DJ-DCI-43 (Rev. 8/76)

WISCONSIN DEPARTMENT OF JUSTICE
DIVISION OF CRIMINAL INVESTIGATION

Attorneys James Shellow (left) and Joseph P. Balistrieri left the East Side home of Balistrieri's father, Frank P.

RECEIVED MAR 18 1980

COMMENTS

DATE

PUBLICATION

	WC	GI	VA	DD	FM
COORDINATION					

SUBMITTING UNIT

DCIR FILE NUMBER

NEWSPAPER CLIPPING
DJ-DCI-43 (Rev. 8/76)

WISCONSIN DEPARTMENT OF JUSTICE
DIVISION OF CRIMINAL INVESTIGATION

FBI agents carried boxes out of the home of Frank P. Balistrieri after executing a search warrant. The agents used a sledgehammer to enter the home at 3043 N. Shepard Ave.

—Sentinel photos by Rick Wood

RECEIVED MAR 1 8 1980

COMMENTS

DATE

PUBLICATION

	WC	GI	VA	DD	FM
COORDINATION					

SUBMITTING UNIT

DCIR FILE NUMBER

NEWSPAPER CLIPPING
DJ-DCI-43 (Rev. 8/76)

WISCONSIN DEPARTMENT OF JUSTICE
DIVISION OF CRIMINAL INVESTIGATION

FBI seizes $200,000 in Balistrieri raids

Warrants authorize searches

By JOHN FAUBER, JERRY RESLER and JEFF AIKIN

FBI agents Wednesday searched Frank P. Balistrieri's home after smashing the front door open with a sledgehammer and later seized about $200,000 in cash from a hotel owned by Balistrieri's son, Atty. Joseph Balistrieri.

Frank Balistrieri, 61, has been identified in court papers filed in Las Vegas as "the organized crime chieftain in Milwaukee."

The attempts by the agents to seize the cash at The Shorecrest, a hotel at 1962 N. Prospect Ave., triggered a heated argument between Atty. James Shellow, representing the Balistrieris, and federal officials.

The officials later obtained a second search warrant to seize the cash after Shellow argued that the agents had no legal right under the original search warrant to take the money. At one point, Shellow ordered the agents off the premises and called police.

Federal Judge Robert W. Warren, who is conducting a civil trial in Green Bay, authorized the second warrant by telephone.

While searching the offices of The Shorecrest, the agents apparently found the $200,000, which was in four envelopes containing $50,000 each, in a safe. They wanted to seize the cash along with several other items in the office.

That prompted the argument between Shellow and several federal officials, including John Glover, who is in charge of the Milwaukee FBI office, and Michael Trost, a deputy US attorney.

Shellow called Milwaukee police and apparently complained to a captain in the Detective Bureau. No police officers ever arrived, however.

At another point, Shellow unsuccessfully tried to photograph the agents in the office, indicating he might need the photographs for possible legal action.

No reason was given for Wednesday's searches.

Turn to Page 12, Col. 1

RECEIVED MAR 18 1980

COMMENTS

DATE March 6, 1980
PUBLICATION Milwaukee Sentinel

	WC	CI	VA	DD	FM
COORDINATION					

SUBMITTING UNIT
DCIR FILE NUMBER

NEWSPAPER CLIPPING
DJ-DCI-43 (Rev. 8/76)

WISCONSIN DEPARTMENT OF JUSTICE
DIVISION OF CRIMINAL INVESTIGATION

Accused by Mitchell

In November, 1971, US Atty. Gen. John Mitchell called Balistrieri the "alleged head of the organized crime family in Milwaukee" in announcing a grand jury indictment against him and others on various charges, including concealed ownership of a nightclub, filing false federal tax statements and conspiracy.

That was a case Balistrieri won. The charges were dismissed.

Balistrieri's big loser was a 1967 conviction by a jury in a federal trial on income tax evasion. He was found guilty of evading $19,231 in taxes on income of $54,320 for 1959 and 1960.

A long series of appeals delayed his federal prison sentence of one year and one day until June, 1971, when he pulled up in a Cadillac in front of the Sandstone penitentiary in Minnesota and checked in.

Credits Graziano

Balistrieri once credited boxer Rocky Graziano and shimmy queen Gilda Gray with giving him "a financial upswing in the business world."

Balistrieri was head of the Badger State Boxing Club and in 1950 helped promote a bout in Milwaukee between Graziano and Vinny Cidone that drew a crowd of 12,267 and grossed almost $50,000.

A year later, Balistrieri booked Gilda Gray into the Melody Room of the Hotel Roosevelt and drew packed houses. Balistrieri had bought the hotel at 421 W. Wells St. in 1946. It was torn down in 1960.

"The Graziano fight offset some of my losses on other matches," Balistrieri said. "Gilda Gray got many persons into the habit of stopping in at the Melody Room."

Balistrieri, in the 1960s and 1970s, was identified with a wide range of Downtown night spots. They included The Downtowner, 340 W. Wells, a dingy bar that featured strip teasers; Gallagher's, 829 N. 3rd St, which catered to a young crowd; the Brass Rail, 744 N. 3rd St, which had a higher-class group of strippers; the Ad Lib, 323 W. Wells, where a female impersonator was the main attraction; the Scene, 642 N. 2nd St., which later became the Centre Stage, and featured big name entertainment, and the Kings IV, east of the Milwaukee River on N. Water St., which brought about the charges announced by Atty. Gen. Mitchell in 1971.

Scoffs at reports of crime

Balistrieri consistently has scoffed at reports of organized crime in Milwaukee.

In 1976, Joseph P. Balistrieri, one of Balistrieri's two sons who have become lawyers, said the Mafia was a myth designed by investigators to help them keep their jobs, build bigger budgets for their offices and push crime control legislation.

"If there is (a Mafia in the US) I'm not aware of it," Joseph Balistrieri said.

Last year, a federal judge in Las Vegas made public an affidavit of a special agent for the FBI. The affidavit said Joseph Balistrieri received $100,000 from a corporation that controls the Stardust and Fremont casinos in Las Vegas.

The affidavit also said Joseph's father, Frank — the Lincoln High graduate of 1935 — "is the organized crime chieftain in Milwaukee, Wis., and his syndicate is answerable to the Chicago organized crime family. . . . "

Avalanche ruptures Iranian gas line

Kuwait —UPI— An avalanche has ruptured a major pipeline carrying natural gas from southern Iran to the Soviet Union, a Tehran radio broadcast monitored in Kuwait said Saturday.

RECEIVED MAR 18 1980

COMMENTS

DATE

PUBLICATION

COORDINATION	WC	GI	VA	DD	FM

SUBMITTING UNIT

DCIR FILE NUMBER

NEWSPAPER CLIPPING
DJ-DCI-43 (Rev. 8/76)

WISCONSIN DEPARTMENT OF JUSTICE
DIVISION OF CRIMINAL INVESTIGATION

Balistrieri: just a 'family' man

The 1935 edition of The Quill, the yearbook of Lincoln High School, defined the purpose of the school's Law Club.

"The meetings of this organization are not just interesting — they are vitally so," the yearbook said. "Mock trials are held, with detailed attention to court procedure. It is in such organizations as these that the student makes some contact with affairs outside his own school world."

That was the year Frank Peter Balistrieri graduated from Lincoln, 820 E. Knapp St., and the yearbook noted that the Law Club was among his student activities.

Standing 5 foot 7, thin, well-dressed and carrying a diploma, he was ready to have a go at the outside world. He also had been a member of Lincoln's Student Council and band.

The law and a leadership role in Milwaukee's entertainment business became a part of real life for Balistrieri.

Balistrieri has had numerous contacts with the the law since leaving the school that educated several generations of East Side youngsters.

The mock trials of the Lincoln High Law Club turned into the real thing for him.

"If the police can prove any of their allegations, I'll be willing to get out of business immediately," Balistrieri said in 1963, when he still was granting interviews to reporters. "I would be even willing to go away, as far away as China."

Balistrieri has gone away from Milwaukee — to such places as the Ozaukee County Jail in Port Washington, the Sandstone federal prison

Turn to page 6

RECEIVED MAR 18 1980

COMMENTS

DATE March 9, 1980
PUBLICATION Milwaukee Journal

	WC	GI	VA	DD	FM
COORDINATION					

SUBMITTING UNIT
DCIR FILE NUMBER

NEWSPAPER CLIPPING
DJ-DCI-43 (Rev. 8/76)

WISCONSIN DEPARTMENT OF JUSTICE
DIVISION OF CRIMINAL INVESTIGATION

Balistrieri belonged to Law Club

From Page 1

in Minnesota and a federal grand jury room in Miami.

This Lincoln graduate, who once wanted to become a lawyer, wound up hiring lawyers — often. He needed them for federal grand jury and state John Doe investigations and to fight criminal charges.

Balistrieri, 61, was back on newspaper front pages and in television news shows last week as part of a nationwide FBI crackdown on organized crime figures.

FBI agents, armed with a search warrant, broke into his home at 3043 N. Shepard Ave. and seized records. Agents also seized $200,000 in cash and business records from the Shorecrest Hotel, which is listed as being owned by one of his sons, and searched other places, including the law office of one of his sons.

Through the years, editions of a city directory of Milwaukee listed the upward mobility of Balistrieri, a son of a man who operated a cinder-trucking company.

Attended Marquette

For example, in 1938 Balistrieri was listed as a student and lived with his parents at 1634 N. Jackson St. while he was attending Marquette University.

Two years later he still was continuing college studies, but by then had married Antonina (Nina) Alioto, a childhood sweetheart, and they lived at 510 E. Pleasant St., according to the directory.

In 1945, Balistrieri and his wife were still residing on E. Pleasant, but he was listed then as being involved in trucking, and his student days were over.

Skipping into the next decade, Balistrieri was discribed in 1958 as a general contractor, living at 1417 N. Humboldt Ave. He arrived at the N. Shepard home in 1960, with a $20,000 mortgage on the $36,000 property, and the city directory continued describing him as a general contractor.

"I'm strictly a family man," said Balistrieri, the father of four children, in describing himself in 1963. "I work seven days a week. I work hard. I don't gamble. I don't take vacations."

Name omitted from directory

As recently as 1972, his listed occupation remained general contractor. Subsequent directories have omitted his name, but included his wife and children.

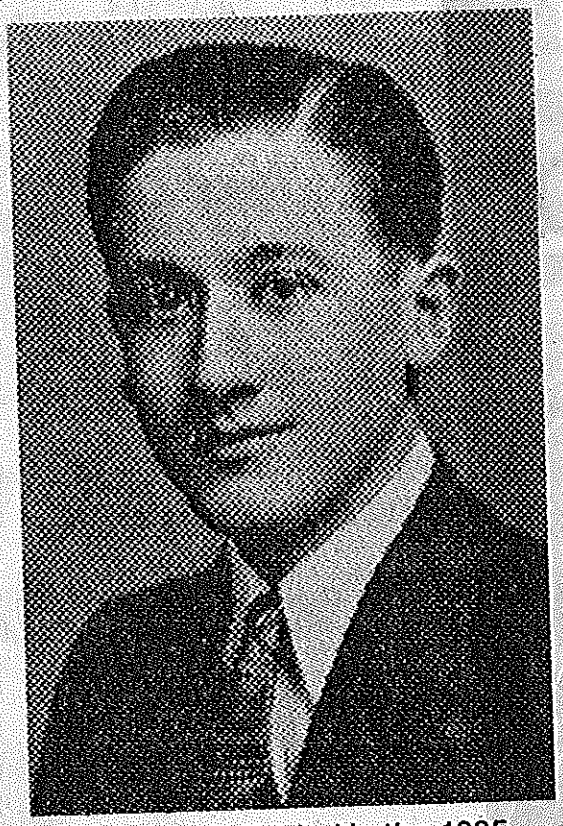
However, other descriptions were being given to Balistrieri.

The names boiled down to Mafia or Cosa Nostra or just plain organized crime chief.

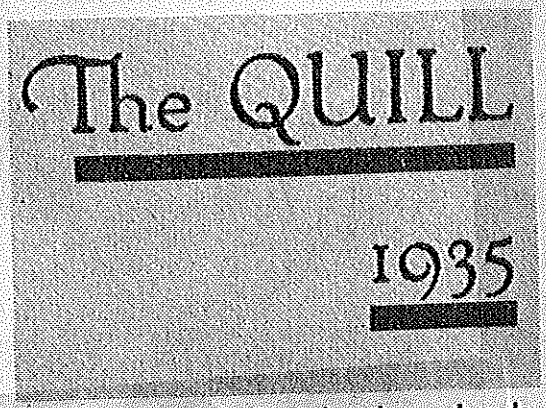
A report of a federal law enforcement agency said Balistrieri "took over leadership of the Italian criminal element in Milwaukee, sometimes referred to as the Mafia, from his father-in-law, John Alioto, in December, 1961."

John Alioto died in 1972, and his occupation was listed in inheritance tax forms as maintenance worker for the Alioto Restaurant Corp.

Sen. John L. McClellan (D-Ark.), then chairman of a Senate rackets committee, took to the floor of the Senate in March, 1969, and said Balistrieri was a member of one of the "principal families in organized crime's Cosa Nostra."



Frank P. Balistrieri in the 1935 Lincoln High School yearbook



The Lincoln High School yearbook

RECEIVED MAR 18 1980

COMM

DATE
PUBLICATION

	WC	GI	VA	DD	FM
COORDINATION					

SUBMITTING UNIT
DCIR FILE NUMBER

US officials weigh Balistrieri information

Continued From Page 1

Argent Corp. obtained multimillion-dollar loans from the Teamsters Union Pension Fund, and Joseph Balistrieri "exerted control over the use of" the pension fund's assets.

The search warrants executed in Milwaukee this week were authorized by Federal Judge Robert W. Warren. The seized material included $200,000 in cash found in a safe in The Shorecrest.

A federal grand jury has been looking into organized crime here for several weeks. According to documents filed in Federal Court here, the grand jury is also looking into the activities of Frank Balistrieri.

Other locations searched besides Frank Balistrieri's home and The Shorecrest were:

Joseph Balistrieri's law office at 212 W. Wisconsin Ave.; La Scala Restaurant at 323 W. Wells St.; Leonardo's Restaurant at 1601 N. Jackson St.; a private residence at 808 E. Brady St. that is purportedly used for a bookmaking operation, and a building at 1504 E. North Ave. occupied by three vending machine and jukebox companies.

The Brady St. location was searched Tuesday night, sources said.

Atty. John J. Balistrieri, another son of Frank, is listed as the incorporator of La Scala, Inc., which runs La Scala Restaurant, according to records in the Courthouse.

Records in the city clerk's office show that the current licensee of La Scala is Rudolph A. Porchetta, of 9423 W. Good Hope Rd., who also operates the Brass Rail at 744 N. 3rd St.

The current licensee for Leonardo's Restaurant, which was formerly Fazio's on Jackson Restaurant, is Star-Ridge, Inc., according to the records in the city clerk's office.

The agent for Star-Ridge, records show, is Leonard Drewek, who is also listed as president and treasurer of the corporation. Drewek is the son-in-law of Peter Balistrieri, who is Frank Balistrieri's brother.

Jennie Alioto, who was once a bookkeeper for Frank Balistrieri, is the owner of the building at 1601 N. Jackson, records show. Miss Alioto is a first cousin of Frank Balistrieri's wife.

City taxes on the property at 1601 N. Jackson are delinquent in the amount of $3,330 for 1978 and $2,941 for 1979, according to records in the city treasurer's office.

The owners of the building at 1504 E. North are Joseph and John Balistrieri, according to Courthouse records.

Last fall the IRS filed two tax liens totaling $9,963 against Carl J. Dentice, doing business as Dentice Amusement Co. at 1504 E. North Ave. The liens were for nonpayment of Social Security and federal income taxes withheld from employes' paychecks for part of 1978 and part of 1979.

NEWSPAPER CLIPPING
DJ-DCI-43 (Rev. 8/76)

WISCONSIN DEPARTMENT OF JUSTICE
DIVISION OF CRIMINAL INVESTIGATION

RECEIVED MAR 18 1980

DATE March 7, 1980
PUBLICATION Milwaukee Sentinel
COORDINATION WC BN VA DD FM
SUBMITTING UNIT
DCIR FILE NUMBER
COMMENTS

NEWSPAPER CLIPPING
DJ-DCI-43 (Rev. 8/76)

WISCONSIN DEPARTMENT OF JUSTICE
DIVISION OF CRIMINAL INVESTIGATION

US officials weigh records seized in Balistrieri raids

By JERRY RESLER
and MARILYN KUCER

Raids by federal officials this week resulted in "very meaningful" information involving apparent connections between a Las Vegas casino corporation and Frank P. Balistrieri and his son, Atty. Joseph P. Balistrieri, a knowledgeable source said Thursday.

Federal officials were "very pleased," the source said, with the results of searches Tuesday and Wednesday at seven locations, including Frank Balistrieri's home, 3043 N. Shepard Ave., and The Shorecrest, 1962 N. Prospect Ave., a hotel owned by Joseph Balistrieri.

The source said FBI agents obtained materials involving the Balistrieris, the Argent Corp., which owns the Stardust and the Fremont casinos in Las Vegas, and Allen R. Glick, chairman and sole stockholder of the Argent Corp.

During the search at The Shorecrest Wednesday afternoon, a reporter overheard two FBI agents discussing a report they had found. When one agent asked the other what it contained, he replied: "Slots, poker and keno. It's casino action."

According to the source, that report related to the Stardust casino.

The Argent Corp. has been under investigation by Nevada's State Gaming Control Board for an alleged $7 million embezzlement scheme centering on the skimming of slot machine revenues.

The Argent Corp. also was the focus of an FBI strike force probe. According to a government affidavit filed in Las Vegas last May, the strike force probed the alleged "proprietary interest" in the Argent Corp. of "(Anthony) Spilotro and the organized crime figures to whom he reports in the Midwest. . . ."

The same government affidavit said:

- Frank Balistrieri, 61, was the "organized crime chieftain in Milwaukee" and his "syndicate is answerable to the Chicago organized crime family which controls Anthony Spilotro's illegal activity in Las Vegas."
- Joseph Balistrieri had received more than $100,000 in "suspected unlawful diversion . . . of revenues" from the Stardust.

A lawyer for Glick has said the $100,000 represented payment to Joseph Balistrieri for legal services provided to Glick.

According to the affidavit, the

Turn to Page 9, Col. 1

RECEIVED MAR 18 1980

COMMENTS

DATE

PUBLICATION

	WC	GI	VA	DD	FM
COORDINATION					

SUBMITTING UNIT

DCIR FILE NUMBER

NEWSPAPER CLIPPING
DJ-DCI-43 (Rev. 8/76)

WISCONSIN DEPARTMENT OF JUSTICE
DIVISION OF CRIMINAL INVESTIGATION

Balistrieri records seized by FBI

From Page 1

part of the investigation of Frank P. Balistrieri has concentrated on allegations of illegal activity involving his role in the vending machine and jukebox businesses in Wisconsin.

Thousands of documents were seized during the all-day searches, which began at 10 a.m. at Balistrieri's home. Sources said it would take FBI agents two days to prepare an inventory of the items seized.

A source gave the following account of the events that led agents to enter Balistrieri's fashionable East Side home:

When FBI agents arrived at the house, they knocked on the front door, knocked again and then had an agent go to a telephone and dial Balistrieri's phone number.

When someone answered the phone, an agent asked for Frank and a man replied: "He's not here, who do you want?"

The man then was told that FBI agents were outside the house. An agent also told the man that the agents had a search warrant and preferred to enter the home peacefully, but would open the lock themselves if necessary.

When further conversation did not result in the door being opened, a source said, a sledgehammer was used to break some glass in the front door, which enabled an FBI agent to insert his hand inside and open the door.

Agents were at Balistrieri's home from 10 a.m. to about 2:30 p.m., sources confirmed. While they were at the house, Joseph P. Balistrieri and James M. Shellow, Balistrieri's attorney, also were present.

At about 4 p.m., the special agent in charge of the Milwaukee FBI office, John Glover, and three other agents were at the Shorecrest Hotel during the search there.

The Milwaukee Journal has reported that Joseph P. Balistrieri, 39, bought The Shorecrest Hotel for about $1 million in 1971. City of Milwaukee records show that Joseph P. Balistrieri is the president and a director of the corporation that owns Snug's, a restaurant and bar located in the hotel.

Records also show that Joseph P. Balistrieri is the attorney representing La Scala, a restaurant and nightclub whose records also were seized.

Subject of grand jury

In an independent but coordinated investigation, both Frank and Joseph Balistrieri have been subjects of a grand jury investigation in Las Vegas during the past year.

Documents made public by a federal judge in Las Vegas last May quoted FBI agents as contending that Joseph P. Balistrieri allegedly received $100,000 from a corporation that controls The Stardust and Fremont casinos in Las Vegas.

It also described Frank P. Balistrieri as "the organized crime chieftain in Milwaukee, Wis."

RECEIVED MAR 18 1980

COMMENTS

DATE

PUBLICATION

COORDINATION	WC	GI	VA	DD	FM

SUBMITTING UNIT

DCIR FILE NUMBER

NEWSPAPER CLIPPING
CJ-DCI-43 (Rev. 8/76)

WISCONSIN DEPARTMENT OF JUSTICE
DIVISION OF CRIMINAL INVESTIGATION

US seizes papers from Balistrieri

By Walter Fee
of The Journal Staff

As part of its nationwide crackdown on organized crime figures, Milwaukee FBI agents seized records Wednesday at the home of Frank P. Balistrieri, at the law office of his son, Joseph P., and at five businesses suspected of having economic ties with Balistrieri, knowledgeable sources said.

The seizure of the business records and $200,000 in cash obtained from a safe on the first floor of the Shorecrest Hotel — which is owned by Joseph P. Balistrieri — were part of the ongoing investigation into Balistrieri's multi-million-dollar nationwide business enterprises.

Frank P. Balistrieri, 61, has been identified by federal law enforcement officials as the reputed boss of the Milwaukee Mafia for the last 19 years. The investigation into his activities has been going on for several months and has involved FBI agents in four large cities in addition to Milwaukee, sources said.

Pictures on page 6, part 2.

—Journal Photo

Frank P. Balistrieri

After obtaining a search warrant from a federal judge, FBI agents seized records at the following locations:

Frank P. Balistrieri's home, 3043 N. Shepard Ave.; Joseph P. Balistrieri's law office, 212 W. Wisconsin Ave.; The Shorecrest Hotel, 1962 N. Prospect Ave., La Scala Restaurant, 323 W. Wells St.; Leonardo's Restaurant, 1601 N. Jackson St.; a private residence on E. Brady St., purportedly used for a bookmaking operation; and a building at 1504 E. North Ave., which is occupied by three vending machine and jukebox companies that share the same telephone number.

Records show the three businesses at 1504 E. North Ave. are Alioto Distributing Inc., the Dentice Amusement Co. and the H & G Amusement Co.

Sources confirmed that a large

Turn to Seizure, page 10

RECEIVED MAR 18 1980

COMMENTS

DATE March 6, 1980
PUBLICATION Milwaukee Journal

COORDINATION	WC	GI	VA	DD	FM

SUBMITTING UNIT
DCIR FILE NUMBER

NEWSPAPER CLIPPING
DJ-DCI-43 (Rev. 8/76)

WISCONSIN DEPARTMENT OF JUSTICE
DIVISION OF CRIMINAL INVESTIGATION

MILWAUKEE JOURNAL
MARCH 10, 1980

Vegas data seized in FBI raids

By Helane Morrison
of The Journal Staff

Financial statements and other business records for the Argent Corp. and three major Las Vegas casinos formerly owned by Argent were seized last week at the home of the reputed head of the Milwaukee Mafia and at the law office of his sons.

At the law office of Joseph P. Balistrieri and John Balistrieri, FBI agents seized financial statements and managers' daily analysis reports for 1976 and 1977 for the Stardust, Fremont and Hacienda, hotels and casinos formerly owned by Argent, according to search warrants filed Monday in Federal Court here.

Also seized were financial statements for the Echo Bay Resort, at Lake Mead, Nev., which used to be part of Argent but the current ownership of which could not be immediately determined.

At the law office, agents also seized an accounting report on a proposed casino in Las Vegas, according to the search warrants.

In affidavits made public in Las Vegas, the FBI has alleged that the Argent Corp. and its chairman, Allen R. Glick, were a front for Chicago organized crime. The Milwaukee Mafia has been said to report to the Chicago organization.

In 1978, the FBI executed 83 search warrants in Las Vegas seeking, among other things, Glick's records involving the Stardust and records in the possession of Anthony Spilotro, said to be the Chicago Mafia's representative in Las Vegas.

An investigation by the Nevada Gaming Control Board alleged that revenue from slot machines was being skimmed from the Stardust, Freemont and Hacienda hotels. The money allegedly was taken to the Stardust, formerly the flagship hotel for the Argent Corp.

Business records for the Argent Corp. also were obtained at the Balistrieri law office and at the home of Frank Balistrieri, the reputed organized crime chief here. At the home, agents also found managers' daily

Turn to Records, page 3

RECEIVED MAR 18 1980

COMMENTS

DATE March 10, 1980
PUBLICATION Milwaukee Journal

	WC	GI	VA	DD	FM
COORDINATION					

SUBMITTING UNIT
DCIR FILE NUMBER

NEWSPAPER CLIPPING
DJ-DCI-43 (Rev. 8/76)

WISCONSIN DEPARTMENT OF JUSTICE
DIVISION OF CRIMINAL INVESTIGATION

Records

From Page 1

analysis reports for the Stardust, Fremont and Hacienda.

The FBI was looking for gambling records from the Balistrieri home. It obtained slips of papers with names and telephone numbers on them, according to the search warrant. Also seized from the home was $7,130 in cash, according to documents filed with the warrants.

The search warrants of the home and law office also were for numerous records, including all those pertaining to the distribution of profits from these 14 businesses:

The Brass Rail, the Centre Stage, Carmencita Enterprises, Pitch's De-Lish-Us Distributors, Dino Distributing Co., Midwest Vendors, Snug's, Leonardo's Pasta House, La Scala Restaurant, the Shorecrest Hotel, Alioto Distributing Co. Inc., H&G Amusement, Dentice Amusement and American Amusement.

Also seized at the law office were financial statements for Karat Inc., formerly the holding company for the Fremont and Stardust hotels when they were owned by Argent. Those two hotels were purchased by Al Sachs in 1979.

In July, 1977, the Hacienda changed hands from the Argent Corporation to Paul Lowden, the present owner.

The search warrant of the Shorecrest specified John Balistrieri's office on the first floor, looking for many records, including profit and income records of the 14 companies. During the search of a wall safe at the Shorecrest, an additional search warrant was obtained for four packets of US currency, each containing $50,000.

Also in the wall safe, according to an inventory report, was a legal document entitled "Exclusive Option to Purchase Shares of Argent Corp." by Joseph and John Balistrieri.

With another warrant, agents searched Salvatore A. Librizzi and found slips of paper with names and a phone number on them and $1,200 in cash.

RECEIVED MAR 18 1980

COMMENTS

DATE

PUBLICATION

	WC	GT	VA	DD	FM
COORDINATION					

SUBMITTING UNIT

DCIR FILE NUMBER

NEWSPAPER CLIPPING
DJ-DCI-43 (Rev. 8/76)

WISCONSIN DEPARTMENT OF JUSTICE
DIVISION OF CRIMINAL INVESTIGATION

Balistrieri plea before high court

By Frank Aukofer
Journal Washington Bureau

Washington, D.C. — Whatever else may be said about Frank P. Balistrieri, he certainly is persistent.

Milwaukee's reputed organized crime boss was convicted of income tax evasion 13 years ago and served 10 months in federal prison.

But he is still trying to overturn that conviction.

Balistrieri has a new appeal pending in the US Supreme Court. He wants the court to allow him to pursue discovery proceedings aimed at gathering new evidence that might overturn the conviction.

So far he has had no success.

At one point in the appeals process, one of the judges — J. Waldo Ackerman of Springfield, Ill. — noted that the Balistrieri case had been pending, in one guise or another, since Balistrieri was indicted in January, 1965.

"At some point the litigation must terminate," Ackerman said. He noted that the procedure under which Balistrieri sought to overturn his conviction was valid.

"Justice demands such a procedure," Ackerman wrote. "Justice does not demand, however, that civil discovery methods be employed to allow a defendant to fish for facts that may or may not exist and may or may not justify the motion in the first place."

That was in 1976. Undaunted, Balistrieri continued his efforts. Last October, the US 7th Circuit Court of Appeals in Chicago rebuffed him. So Balistrieri went to the top — the Supreme Court.

His appeal is based on an ancient procedure that allows courts to correct errors even after a defendant has served his sentence.

In the appeal, Balistrieri says he discovered in 1975 that the government had maintained an unlawful electronic surveillance of a Milwaukee restaurant that he frequented.

He said he had been in the restaurant at 519 W. Wells st., owned by Walter Felix Brocca, on many occasions and had conversations with many persons there about his business interests and even his income tax liability.

Balistrieri contended that if he had known about the surveillance during his trial for filing fraudulent income tax returns he would have been better able to prepare his defense.

Ackerman obtained logs of the FBI's surveillance of the Brocca restaurant between June 10, 1964, and Dec. 30, 1964.

He said he found only two "clearly innocuous" conversations involving Balistrieri. One was a conversation on July 25, 1964, in which the participants were Balistrieri; his attorney, Dominic Frinzi, and his secretary, Jennie Alioto. The other, on Aug. 6, 1964, involved Balistrieri and a man named Blackie. But the log said their conversation was drowned out by the sound of a jukebox.

Ackerman said he did not believe Balistrieri was the object of the surveillance and ruled that there was no justification to allow Balistrieri to use civil discovery procedures to subject the government "to costly and time-consuming inquiries into matters long closed."

Under civil discovery procedures, Balistrieri would be able to question witnesses and obtain documents aimed at producing evidence to overturn his conviction.

The Supreme Court has not yet decided whether to consider Balistrieri's appeal.

RECEIVED MAR 20 1980

COMMENTS

DATE March 13, 1980
PUBLICATION Milwaukee Journal

COORDINATION	WC	GI	VA	DO	FM

SUBMITTING UNIT
DCIR FILE NUMBER OC-1

NEWSPAPER CLIPPING
DJ-DCI-43 (Rev. 8/76)

WISCONSIN DEPARTMENT OF JUSTICE
DIVISION OF CRIMINAL INVESTIGATION

OC-1.

MILWAUKEE SENTINEL
JANUARY 29, 1980

Attorneys challenge subpenas

Attorneys for two Chicago men subpenaed by a federal grand jury here Monday demanded federal prosecutors explain why they are subpenaing the two men.

Joseph Aiuppa and Ernest Infelice have both told the US attorney's office that they will assert their Fifth Amendment privileges against self-incrimination before a Milwaukee grand jury probing organized crime, the attorneys said.

In papers filed Monday, Atty. James Shellow said it would be an "abuse" of the grand jury to require a witness to appear "when his appearance can serve no legitimate interest of the prosecution."

Federal documents filed in Las Vegas last year termed Aiuppa as "operation head" of the Mafia in Chicago. Infelice was convicted of trafficking in heroin in 1973.

Both men were subpenaed to appear before the grand jury last week, but did not show up after Federal Judge John W. Reynolds agreed to hear arguments contesting the subpenas.

Deputy US Atty. Michael Trost has maintained a witness' declaration in advance that he will take the Fifth does not preclude his appearance before the grand jury.

RECEIVED MAR 18 1980

COMMENTS

DATE January 29, 1980
PUBLICATION Milwaukee Sentinel

COORDINATION	WC	GI	VA	DD	FM
		X			

SUBMITTING UNIT

DCIR FILE NUMBER

NEWSPAPER CLIPPING
DJ-DCI-43 (Rev. 8/76)

WISCONSIN DEPARTMENT OF JUSTICE
DIVISION OF CRIMINAL INVESTIGATION

Balistrieris linked to Vegas hotel

By LOUIS LIEBOVICH

Records seized by the FBI and US Justice Department last week in the home of Frank Balistrieri and the law office of his son, Joseph, link the Balistrieris with three hotels in Las Vegas, Nev., documents released Monday show.

Frank Balistrieri, 61, has been identified in court papers filed in Las Vegas as "the organized crime chieftain in Milwaukee."

Among the items listed in the official inventory of items taken from Balistrieri's home, 3043 N. Shepard St., were daily analysis reports by the managers of the Stardust, Fremont and Hacienda Hotels in Las Vegas.

Similar reports for the hotels also were taken from Joseph Balistrieri's law office, 212 W. Wisconsin Ave., as were financial statements connected with the Argent Corp., which has been under investigation by Nevada's State Gambling Control Board for an alleged $7 million embezzlement scheme.

Argent Corp. last year sold the Stardust and Fremont Hotels to Allen Sachs, a veteran casino operator, Las Vegas records show. Argent sold the Hacienda to another private individual in 1976.

Agents also found a briefcase in Joseph Balistrieri's law office containing file folders with records of lease agreements involving unspecified Las Vegas businesses.

Address books and diary notebooks "for various years" were also taken from the law office.

A filing cabinet at The Shorecrest hotel, 1962 N. Prospect Ave., yielded seven files under the heading "outside properties."

Listed were 2212 E. Kenilworth Ave., 2200 N. Lake Dr., 2210 N. Lake Dr., 2206 E. Kenilworth Ave., 2216 E. Kenilworth Ave., 2212 N. Lake Dr. and a beauty shop in The Shorecrest.

Agents found a total of $7,300 in cash in three different areas of Frank Balistrieri's home.

Balistrieri was present during the search and signed the search papers, agents reported.

A home at 808 E. Brady St. also was searched last week. The search was conducted because "various gambling records and paraphernalia" were suspected to be there, according to the warrant.

Agents found lists of phone numbers and names on sheets of paper in a dining room hutch, on top of a desk and inside the desk.

A photocopy of the 1980 National Collegiate Athletic Association basketball tournament bracket list and a pamphlet titled "Milwaukee Doe's Basketball Sports Journal" were taken from the Brady St. home.

Salvatore A. Librizzi, who was in the home, also was searched. Agents found slips of paper with names and

Turn to Page 6, Col. 2

Balistrieris, hotels linked

Continued From Page 5

telephone numbers and $1,200 in cash on Librizzi.

Librizzi, 37, his brother Dennis, and four other men were indicted but not convicted in 1970 on charges of violating gambling laws. Dennis Librizzi listed his home as 808 E. Brady St. at the time.

Financial documents and records from several other local businesses were seized in the searches at Frank Balistrieri's home; an office at The Shorecrest, owned by Joseph Balistrieri, and in the offices of Alioto Distributing Co., 1504 E. North Ave.

Documents associated with Carmencita Enterprises, which is a holding company for The Shorecrest, also were seized at the hotel.

Other business records seized at The Shorecrest involved Pitch's De-Lish-Us Distributors, 2754 N. 30th St.; Dino Distributing Co., 814 E. Chambers St., Pioneer Sales and Service, N155-W13875 Oak La., Menomonee Falls; the Brass Rail, 744 N. 3rd St.; Alioto Distributing Co.; H&G Amusement; Dentice Amusement; American Amusement, and Midwest Vendors.

Records show that Rudolph Porchetta, 9423 W. Good Hope Rd., is the liquor license holder for the Brass Rail, while the taxes for the building are paid by Joseph Balistrieri. Porchetta is also the liquor license holder for La Scala Restaurant, 323 W. Wells St., which was also searched last week.

Taxes for Pitch's are paid by Peter Picciurro, according to records.

Joel Kleiman, co-owner of Pioneer Sales, said he did not know why his business records were seized "except that we do some business with H&G, which Joey Balistrieri is associated with." Kleiman said his company sells vending machines.

State records show that American Amusement was incorporated in 1970 with Allan Polacheck as the agent. The address at that time was listed as 710 N. Plankinton Ave., but the name of the company was changed to Mall Recreation Center in 1971. Mall currently has no listing.

Records for the Echo Bay Resort at Lake Mead, Nev., also were seized.

RECEIVED APR 10 1980

COMMENTS

DATE March 11, 1980
PUBLICATION Milwaukee Sentinel

COORDINATION	WC	GI	VA	DD	FM

SUBMITTING UNIT
DCIR FILE NUMBER OC-

NEWSPAPER CLIPPING
DJ-DCI-43 (Rev. 8/76)

WISCONSIN DEPARTMENT OF JUSTICE
DIVISION OF CRIMINAL INVESTIGATION

Affidavit describes Balistrieri dealings

By Helane Morrison
of The Journal Staff

Frank P. Balistrieri uses money skimmed illegally from Las Vegas casinos to operate his local businesses, according to an FBI affidavit released Monday.

The affidavit said that Balistrieri, through hidden interests, controls and profits from local bookmakers, restaurants and vending machines operations.

Balistrieri's attorney sons, Joseph P. and John J., are "the powers to be behind their father's vending machine interests," the affidavit said. And John J. Balistrieri, "manages, controls and operates the business ventures of the Balistrieri Family," the affidavit added.

Frank P. Balistrieri

The affidavit was made in the application for search warrants that were used March 5 to search Frank Balistrieri's home, the law offices of his sons and other family businesses.

The money skimmed from the casinos is a reward for Balistrieri's putting together a complete package for the purchase of the Stardust and Fremont hotel-casinos in Las Vegas and arranging more than $60 million to purchase the casinos, the affidavit said.

He did this working through his contacts with organized-crime figures in Chicago, the affidavit says.

As head of Mafia activities in Milwaukee and Wisconsin, Balistrieri reports directly to Chicago Mafia boss Joseph Aiuppa, the affidavit says.

Balistrieri goes to Chicago once a month to get an envelope containing the Milwaukee skim money, according to the affidavit. He uses this income to operate Milwaukee businesses in which he has an interest, the affidavit says.

In Milwaukee, Balistrieri controls and profits from local bookmakers, restaurants and vending machine distributors, the affidavit said.

Frank Balistrieri "is attempting to take over by any means all firms in the vending field," the affidavit says.

The affidavit says that as recently as Jan. 15, 1980, he has paid bills from a general fund derived from all of his businesses.

"These funds are supplemented by income Balistrieri derives from his illegal activities, including his gambling operation," the affidavit says.

Much of the information in the affidavit was accumulated through electronic surveillance in seven locations in Milwaukee, all authorized by Federal Judge Robert W. Warren.

Several business conversations between Frank and John Balistrieri and others were overheard by an electronic listening device placed inside Snug's Restaurant near a large round table in the nothwest corner, the affidavit says. Snug's is in the Shorecrest Hotel on N. Prospect Ave.

Another hidden microphone was located in John Balistrieri's office at the Shorecrest Hotel, from which he manages the family's businesses, the affidavit says.

RECEIVED JUN 13 1980

COMMENTS

DATE JUNE 9, 1980

PUBLICATION THE MILWAUKEE JOURNAL

	WC	GI	VA	DD	FM
COORDINATION		X			

SUBMITTING UNIT MILWAUKEE DCI

DCIR FILE NUMBER OC-1

NEWSPAPER CLIPPING
DJ-DCI-43 (Rev. 8/76)

WISCONSIN DEPARTMENT OF JUSTICE
DIVISION OF CRIMINAL INVESTIGATION

IRS says Balistrieri owes back taxes

In 1976, Frank P. Balistrieri filed a federal income tax short form for persons with annual incomes less than $20,000, and he still owes $82 in taxes for that year, according to records filed Tuesday.

Balistrieri also owes $1,701 in federal income taxes for 1971, according to a lien filed by the Internal Revenue Service.

Balistrieri has been identified in Federal Court documents as head of organized crime in Milwaukee.

The short form 1040A is for reporting wages, salary and other income subject to withholding by an employer, as well as bank interest and stock dividends.

Income not subject to withholding or that which must be reported on other tax schedules, such as capital gains and losses, requires the taxpayer to use the standard 1040 long form.

A taxpayer also cannot itemize deductions or business expenses on the short form, but can take only the standard deduction.

FBI affidavits filed last June said Balistrieri, 3043 N. Shepard Ave., has hidden interests in at least a dozen businesses, including restaurants, vending machine firms and The Shorecrest hotel, 1962 N. Prospect Ave.

He has concealed his ownership by using other persons as "fronts" on titles and corporate records, the affidavits said.

Balistrieri also has received $50,000 a month in "skim" money from two Las Vegas (Nev.) casinos as his "reward" by Chicago organized-crime figures for arranging a $60 million loan to purchase the casinos, the affidavits said.

The Stardust and Fremont hotel-casinos were purchased in 1974 by the Argent Corp., the parent company the FBI says is controlled by organized-crime figures.

In a related development, Balistrieri's son, attorney Joseph Balistrieri, has told Federal Judge Terence T. Evans that records demanded by a federal grand jury subpoena cannot be found.

The grand jury two weeks ago demanded that Jane Alioto provide "all minutes of board of directors meetings of Alioto Distributing Co. since Oct. 23, 1976."

Miss Alioto is listed in state corporation papers as president and treasurer of the company.

Alioto Distributing Co. was one of three vending-machine companies at 1504 E. North Ave. whose records were seized by FBI agents last March.

RECEIVED SEP 17 1980

COMMENTS

DATE 09-03-80

PUBLICATION The Milwaukee Sentinel

COORDINATION	WC	GI	VA	DD	FM
		xx			

SUBMITTING UNIT Milwaukee DCI

DCIR FILE NUMBER OC-4

NEWSPAPER CLIPPING
DJ-DCI-43 (Rev. 7/79)

WISCONSIN DEPARTMENT OF JUSTICE
DIVISION OF CRIMINAL INVESTIGATION

Deadline today in Balistrieri case

A federal judge gave prosecutors until 5 p.m. Thursday to announce whether they will proceed with the gambling and tax trial Frank P. Balistrieri and seven others.

Prosecutors were supposed to tell Judge Robert W. Warren by late Wednesday whether they would dismiss charges against the eight because of an error in the grand jury proceeding that led to the indictment or would seek a new indictment.

The postponement occurred as a federal grand jury met, reportedly to discuss the case involving Balistrieri, who has been called in court documents the leader of organized crime in Milwaukee, for the second day this week.

John Franke, the Justice Department attorney leading the prosecution, said last week that he would seek a new indictment after defense attorneys pointed out that prosecutors improperly had let an FBI agent hear another FBI agent's grand jury testimony.

Warren postponed the trial, originally scheduled for this week, until next Monday, on the possibility the case could proceed.

DATE August 18, 1983

PUBLICATION Milwaukee Sentinel

DCIR FILE NUMBER OC-1

COMMENTS RECEIVED AUG 24 1983

NEWSPAPER CLIPPING
DJ-DCI-43 (Rev. 7/79)

WISCONSIN DEPARTMENT OF JUSTICE
DIVISION OF CRIMINAL INVESTIGATION

Balistrieri indicted again

7 others included

By Michele Derus

Frank P. Balistrieri and seven other Milwaukee-area men were indicted Thursday for a second time on charges of running a Milwaukee-based sports betting operation between 1977 and 1980.

The federal grand jury indictment was virtually identical to one issued in October 1981 by a different grand jury. The original indictment was challenged last Friday by a defense attorney, who said that prosecutors improperly allowed an FBI agent to hear another FBI agent's grand jury testimony.

Prosecutor John Franke of the US Department of Justice filed a motion in Federal Court late Thursday seeking to dismiss the original indictment.

Federal Judge Robert W. Warren scheduled a 10 a.m. hearing Friday to discuss whether the eight defendants should go on trial next Monday, as tentatively scheduled.

Among the issues expected to be raised at Friday's hearing is whether the defense has the legal right to a whole new round of pretrial motions, a process that could take months. Another expected issue is whether this week's comparatively speedy indictment process is legally acceptable.

Balistrieri, whom FBI affidavits have identified as the head of organized crime in Milwaukee, was charged for the second time with four counts of running an illegal gambling operation and six counts of tax violations.

The indictment charged that Balistrieri, Steve Di Salvo, Peter Picciurro, Salvatore Anthony Librizzi and Dennis Librizzi conducted a bookmaking operation that took wagers on sports events. The operation grossed $2,000 or more per day, the indictment said.

Balistrieri directed and controlled the gambling operation, Di Salvo supervised it, Picciurro was a partner, and the Librizzis handled day-to-day operations, according to the indictment. Di Salvo was indicted on four gambling charges; Picciurro and Dennis Librizzi, on two gambling charges and three tax charges each; and Salvatore Librizzi, on four gambling charges and six tax charges.

Also indicted were Carl Micelli, on three gambling charges; John Piscuine, on two gambling charges; and George Kopulos, on one gambling charge.

A trial for the eight men was slated to begin this week until Stephen M. Glynn, a lawyer representing Salvatore Librizzi, alerted Warren to the error. After a hearing in which Franke agreed the indictment might be legally unacceptable, Warren postponed the trial for a week.

DATE August 19, 1983

PUBLICATION Milwaukee Sentinel

DCIR FILE NUMBER OC-1

COMMENTS RECEIVED AUG 24 1983

WAH.

NEWSPAPER CLIPPING
DJ-DCI-43 (Rev. 7/79)

WISCONSIN DEPARTMENT OF JUSTICE
DIVISION OF CRIMINAL INVESTIGATION

Balistrieri, trial ho-humr

By William Janz

Janz at Large

You can tell Frank P. Balistrieri is alive in Federal Court because he occasionally blinks.

He is a small, unsmiling, timid-looking man who is cleaned and pressed daily. He always looks whisk-broomed and manicured, as if he just left the barber's chair.

Federal agents believe Balistrieri heads a group of local guys who never have to say please, but he looks as if he couldn't scare a baby with a boo. His face is Caucasian paste.

Several times in court he has worn those shadow-dark suits favored by attorneys and pallbearers. Sitting in court, leaning on his right hand, he often uses his index finger to dent the mask that is his face.

On trial on charges that they were members of a gambling ring, Balistrieri, 65, and six other defendants seem lost in an acre-and-a-half of attorneys. The battlefield, strewn with egos and briefcases, is an elite, carpeted place with almost enough drapery to cover a football field. The ceiling is high enough for a trapeze act.

However, at times the testimony has been so boring that two defendants have fallen asleep in court, a defense attorney said. Many times the only sounds to keep the court awake are an air blower and an attorney, who drones on and on. Sometimes they sound alike.

During breaks in the trial, the watchers and the watched scatter themselves, coffee cups and good quotes in the hallway outside the court. After testimony that Frank Balistrieri had offered a bookmaking job to an FBI undercover agent, Joseph P. Balistrieri, lawyer, scholar, son and part-time dictionary, had some words for the hall:

"My father knew a guy for three days and he offered him a book. I've known him for 43 years and he has never offered me a margin."

Emphasizing disbelief and using words small enough for reporters to understand, he laughingly said, "My father is not always the easiest man in the world to get along with."

Years ago, as a young attorney, Joseph Balistrieri had written the following on a blackboard in his office: "In the halls of justice, the only justice is in the halls — Joey Bal."

When he walked back into court to sit in the section reserved for sons and spectators, he said, "Eighteen years of practicing law and I'm second chair."

The younger Balistrieri, who also has been charged in indictments issued by a federal grand jury, will be back in the center ring, words and gold cuff links flashing, when those matters come up.

In public, son is glib while father isn't. A barber who used to cut Frank Balistrieri's hair recalled a remark Frank made in 1971 after Frank had been sentenced to the federal prison at Sandstone in Minnesota for tax evasion.

The barber, Ron Winter, said Frank "had a steady appointment every week and he came in the week before he was due to go to prison. When he left, he said, 'I won't be in next week. I guess you've heard I'm going on a little vacation.' "

Now the government wants to send him on another vacation, all expenses paid, transportation provided. FBI affidavits allege Frank Balistrieri is the head of organized crime in Milwaukee.

In the hallway again, Joseph Balistrieri kidded a reporter that someone should "syndicate your columns. But remember

Frank P. Balistrie

—By a Sent

I'm using the word syndicate
verb."

The judge who is watching t
and defense closely as they a
Frank Balistrieri's rightful place
verse is the genial, astute, spo
Terence T. Evans, whose gray
changed him from looking like a
to looking like an old boy. Dye hi
him a basketball and he could i
a point guard in a high school pic

After the jury returned to cou
Evans said, "I hope you've ha
weekend than the Milwaukee Bre

DATE September 15, 1983

PUBLICATION The Milwaukee Sentinel

DCIR FILE NUMBER OC-1

COMMENTS

NEWSPAPER CLIPPING
DJ-DCI-43 (Rev. 7/79)

WISCONSIN DEPARTMENT OF JUSTICE
DIVISION OF CRIMINAL INVESTIGATION

Balistrieri trial witness won't give home address

By Michele Derus

A key prosecution witness in Frank P. Balistrieri's gambling trial refused Wednesday to disclose where he lived, prompting an unsuccessful demand by Balistrieri's lawyer for a mistrial.

Balistrieri's attorney, John C. Tucker, claimed that FBI agent Joseph Pistone's refusal to disclose his 1978 residence imbued the trial with an "unjustified" aura of fear.

The complaint followed Pistone's refusal to answer defense attorney Robert Sutton's question about whether Pistone and his wife lived in New York or California when Pistone infiltrated Balistrieri's circle of associates in August 1978.

Pistone has testified that Balistrieri offered him a leadership position in an alleged illegal gambling operation for which Balistrieri and six others are now on trial. The others are John Piscuine, Peter Picciurro, Salvatore A. Librizzi, Dennis Librizzi, Steve Di Salvo and Carl Micelli.

Balistrieri has been identified in FBI affidavits as Milwaukee's organized crime boss. Benjamin Ruggiero, whom the FBI says belongs to the Joseph Bonanno organized crime family in New York, introduced Pistone to Balistrieri, Pistone has testified.

Prosecutor John Franke said Pistone would like to keep the location of his home secret and asked Federal Judge Terence T. Evans for a private discussion. Evans refused and ordered Pistone to answer the question.

"Your honor, I'm not going to answer the question," Pistone said.

Evans excused jurors and asked Sutton, who represents defendant Dennis Librizzi, why he wanted the information. Sutton said he wanted to determine if Pistone's excuse to Ruggiero for turning down the job — that he didn't want to spend the winter in Milwaukee — was believable.

Evans told Sutton to ask Pistone where Ruggiero thought Pistone lived. The judge noted that he could cite Pistone for contempt, but would not because Pistone's true residence was irrelevant to the case.

Pistone infiltrated the Bonanno family in the late 1970s, using the alias Don Brasco. Pistone testified Wednesday that he worked for Ruggiero, who didn't know his true identity, helped in Ruggiero's bookmaking business and bragged of crimes that he never committed.

In a 1978 tape-recorded conversation played at the trial Wednesday, Ruggiero warned that he and Frank Balistrieri would take the consequences if Pistone wasn't as dependable as portrayed.

In the recording Ruggiero referred to his Aug. 27, 1978, handshake with Balistrieri which confirmed Pistone's acceptance and noted "he's still going to put it on record in New York." Ruggiero said his life "hangs high if anything" goes wrong.

DATE September 15, 1983

PUBLICATION The Milwaukee Sentinel

DCIR FILE NUMBER OC-1

COMMENTS

NEWSPAPER CLIPPING
DJ-DCI-43 (Rev. 7/79)

WISCONSIN DEPARTMENT OF JUSTICE
DIVISION OF CRIMINAL INVESTIGATION

Wiretap tape played during Balistrieri trial

By Michele Derus

Prosecutors in Frank P. Balistrieri's gambling trial Thursday played tape recordings of Balistrieri counting a packet of money and discussing how to sabotage a "raid."

Balistrieri, who FBI affidavits identify as head of organized crime in Milwaukee, also commented that getting 25% of proceeds on someone else's investment is "a proposition I can't refuse."

In the 9½-minute tape, produced from a Jan. 10, 1980, wiretap at The Shorecrest hotel, Balistrieri and co-defendant Salvatore Librizzi discuss "last week's sheet," "taking action," and plans to "handle basketball."

Defense lawyers waged an unsuccessful daylong battle to keep the jury from seeing the prosecution's version of transcripts from the barely decipherable tape. Prosecutors say the tape proves Balistrieri, Librizzi and five others were involved in an illegal sports betting ring.

The other defendants are Steve Di Salvo, Peter Picciurro, Dennis Librizzi, John Piscuine and Carl Micelli.

A prosecution-prepared tran-

Tapes Turn to Page 7

DATE September 16, 1983

PUBLICATION The Milwaukee Sentinel

DCIR FILE NUMBER OC-1

COMMENTS

RECEIVED SEP 20 1983

Newspaper Clipping
WIRETAP TAPE PLAYED
DURING BALISTRIERI TRIAL
The Milwaukee Sentinel
September 16, 1983
Page Two

script of the tape reads in part:

Balistrieri: What's this with thousands?

Librizzi: There should be 45 there. Thousands in one package of 45.

Balistrieri: Now how much you get?

Librizzi: Seventy-two sixty-five.

Balistrieri: Who didn't pay then?

Librizzi: . . . Hymie and Dennis. Got fourteen fifty comin', and Feller's 290 . . . The rest of the guys like George, ya know, they were last week's sheet.

Balistrieri: You, you didn't collect all the money then?

Librizzi: No.

Later in the conversation, the transcript continued:

Librizzi: Peter Pitch told me . . . . He says you wanna handle basketball? I says, it depends on the amount of money. He says why don't you talk to him. I'll feed it in. We'll chop it up four ways. My brother Dennis, you, myself, and Peter. But Peter will come in with all the money.

Balistrieri: Well, that's a proposition I can't refuse . . . Be careful, will you? . . . I got a little portable telephone. It's good for about 3,000 feet. It's got a little aerial. And I pick up this number over here. See, so when the Feds come in to raid . . . They come breakin' in over here . . . They ain't gonna find anybody in here. You're across the street pickin' up. No wires.

Balistrieri: Go ahead. Because this way here, when, when I stop by there, I don't give it to everybody. When it's bad, it's bad for, for me alone.

Librizzi: You gotta admit that it's not been that bad this year . . . the only heat we got was from, uh, the Towne Room. You ever sit with these guys?

Balistrieri: No. So if they try to talk to me, I'll straighten them out real quick.

Librizzi: Micelli called me again. Ya know, Micelli blew some money. Blew 1,200. I said, 'You still owe Johnny.' He says, 'Got nothing to do with me.'

Balistrieri: Micelli isn't here. Nobody can find him anymore, can they?

Later, according to the transcript, Librizzi recounts "the crap game we had the other night" in which "we won, uh, five thousand. We chopped it up, uh, five ways."

The transcript continued:

Balistrieri: Who was in it? Who had the crap game?

Librizzi: Peter Pitch financed it . . . Me, my brother, your nephew Leonard Drewek, and your brother Peter. But he didn't come, but we gave him one-fifth of it. We always chop it up five ways.

An FBI agent testified earlier this week that Peter Balistrieri is underboss of organized crime in Milwaukee. Lawyers in the case have identified Peter Pitch as Peter Picciurro.

Although charges against the defendants cover September 1977 to April 1980, an FBI agent testified Thursday that FBI surveillance of Balistrieri, Di Salvo and Salvatore Librizzi was under way in 1976.

FBI agents reconstructed an Oct. 2, 1976, surveillance which prosecutors suggested shows the alleged gambling ring's discreet maneuvers.

Di Salvo stopped at Frank Balistrieri's home, then drove to a hospital parking lot, where he met with Salvatore Librizzi, agents said.

With the aid of binoculars, agent Richard J. Hunt said he saw the men "handing things back and forth," a comment which drew objections from defense attorneys. Federal Judge Terence T. Evans ordered the remark stricken from the record.

Agents Hunt, C. Bud Hall Jr. and Thomas Freeman testified under cross-examination that they never saw any money exchanged among the men. Agent Henry McCashlin testified that he was too far away to determine what happened during Di Salvo's brief stop at Balistrieri's 3043 N. Shepard Ave. home.

NEWSPAPER CLIPPING
DJ-DCI-43 (Rev. 7/79)

WISCONSIN DEPARTMENT OF JUSTICE
DIVISION OF CRIMINAL INVESTIGATION

—Journal Photo

ered th westbound lanes of the Airport Free- / after exiting the northbound North-South eway. The driver, Kenneth Edwards, 26, of cago, was taken to St. Luke's Hospital with k injuries. A passenger, Darryl Hawkins, was reported in serious condition at the Milwaukee County Medical Complex. His arm became pinned between the cab and the pavement when the truck flipped. The accident closed the ramp for most of the morning.

Guilty plea set in sale of goggles

Special to The Journal

Miami, Fla. — Melvin I. Gilbert, a businessman from Fox Point, is expected to plead guilty soon in Federal Court in Milwaukee to a reduced charge of attempting to export military goggles to Libya, according to a federal prosecutor here and Gilbert's attorney.

"It's very firm," said US Atty. Stephen LeClair. "Mr. Gilbert has cooperated with the government since his arrest."

Stephen Kravit, an attorney for Gilbert, said Thursday that his client would enter a plea of guilty to the reduced charge in Federal Court in Milwaukee.

"It's over," Kravit said. "There's no more fight. It's just a matter of working out the details."

LeClair said Gilbert became involved in the exporting incident because of economic difficulties.

"Unlike many people, Mr. Gilbert admitted that that's what happened

Turn to **Gilbert**, Page 2

Jury hears voice of Balistrieri on tape

By Walter Fee
of The Journal Staff

The jurors in the bookmaking trial of Frank P. Balistrieri and six other men heard Balistrieri's deep voice for the first time Thursday afternoon.

At one point during the playing of a tape recording of a conversation of Jan. 10, 1980, co-defendant Salvatore (Sam) Librizzi allegedly discussed a proposal to accept bets on basketball, and Balistrieri, 65, replied:

"Well, that's a proposition I can't refuse."

Before the jurors were allowed to hear the tape, lawyers for Balistrieri and Librizzi agreed that their clients' voices would be heard on the tape.

The conversation was recorded using an electronic microphone placed in an office at the Shorecrest Hotel, a building owned by Balistrieri's son, Joseph P. Balistrieri.

The prosecution, which put the tape in evidence, contended that the conversation started with Librizzi making a reference to $45,000 in cash and saying:

Librizzi: "Maybe there's some more. Check that tomorrow. . . ."

Balistrieri: "What's with this thousands?"

Librizzi: "Huh?"

Balistrieri: "There's thousands?"

Librizzi: "There should be 45 there. Thousands in one package of 45."

Balistrieri: "Now how much you get?"

Librizzi: "Seventy-two sixty-five."

Balistrieri: "Who didn't pay then?"

Librizzi: "The two Jews, Hymie and Dennis. Got 1450 comin' and Feller's 290."

John Tucker, Balistrieri's attorney, and Stephen Glynn, Librizzi's attorney, both objected unsuccessfully to admission of the tape as evidence.

They also disputed the accuracy of a typed transcript of the tapes prepared by the FBI. Federal Judge Terence T. Evans then ordered the tapes played for the jurors without benefit of any transcript. He then had it played a second time with the jurors looking at a transcript prepared by the defense. The tape was then

Turn to **Trial**, Page 2

Continued on reverse side.

RECEIVED SEP 22 1983

DATE September 16, 1983

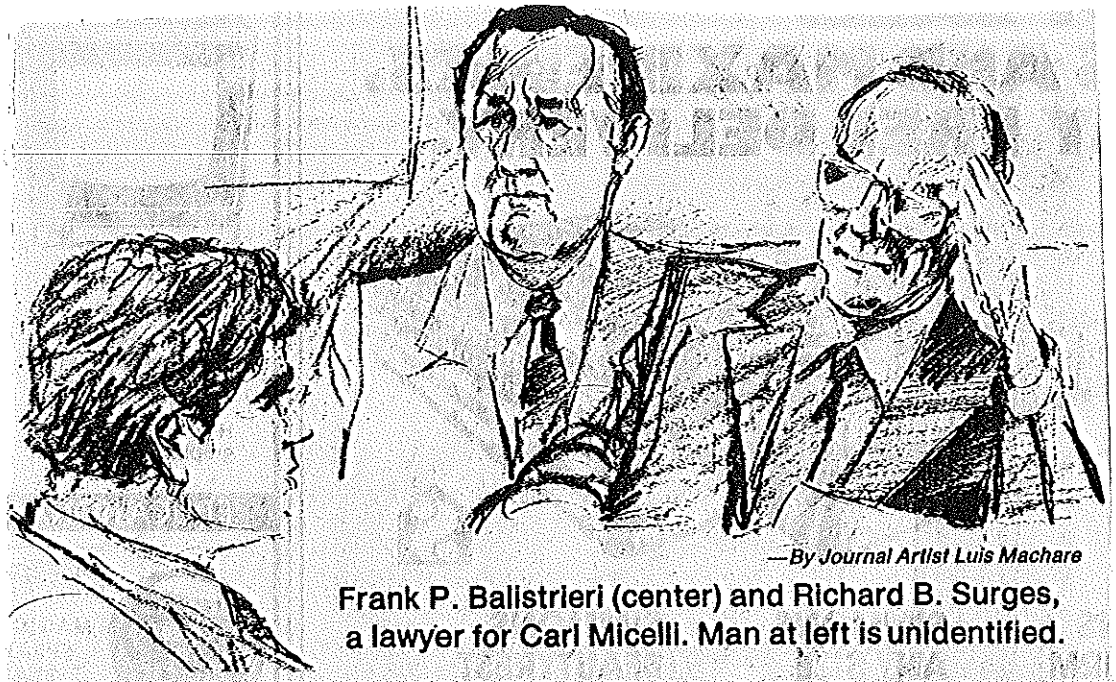
PUBLICATION The Milwaukee Journal

DCIR FILE NUMBER OC-1

COMMENTS

NEWSPAPER CLIPPING
DJ-DCI-43 (Rev. 7/79)

WISCONSIN DEPARTMENT OF JUSTICE
DIVISION OF CRIMINAL INVESTIGATION



—By Journal Artist Luis Machare

Frank P. Balistrieri (center) and Richard B. Surges, a lawyer for Carl Micelli. Man at left is unidentified.

Drama real in Balistrieri case

By Walter Fee
of The Journal Staff

There is drama all right in the Federal Court trial of Frank P. Balistrieri and his six co-defendants, but don't think for a second that this courtroom is a stage.

Men with leathery faces who make their living on a stage can finish their work, remove their greasepaint and go home.

But if the government succeeds in proving its sports betting case, some of the men on trial before Federal Judge Terence T. Evans here could face things a lot harsher than critical reviews.

While the prosecution has been presenting its evidence during the last two weeks, several personalities on both sides of the case have dominated the scene inside the courtroom.

* * *

William Coffey, a defense lawyer representing restaurant owner Peter Picciurro, is someone whose presence in any courtroom immediately attracts considerable attention.

A lot of that has to do with the large amount of raw energy Coffey has. Coffey can furrow his forehead, focus his eyes and give you the kind of cold stare that makes you want to confess to something you didn't do.

When he erupts in a rich laugh a couple of seconds later, its effect is unsettling.

One of Coffey's former law students watched him lumber across the courtroom last week and then called him something he has been called before: "a machine gun."

While Coffey has several techniques he applies during cross-examination, he occasionally stands inches away from witnesses whose skin he is trying to remove.

At such moments Coffey's voice can be heard clearly in the last row of the spectator section of the courtroom. The effect of that voice on the eardrums of the prosecution witness sitting inches away from him would make an interesting doctor-

Turn to **Trial**, Page 2

RECEIVED SEP 22 1983

DATE September 18, 1983

PUBLICATION The Milwaukee Journal

DCIR FILE NUMBER OC-1

COMMENTS

Newspaper Clipping
DRAMA REAL IN BALISTRIERI CASE
The Milwaukee Journal
September 18, 1983
Page Two

Personalities provide drama in trial

Trial, From Page 1

al dissertation for someone.

* * *

One of the few things that almost all the disparate personalities on both sides have agreed on — at least privately — is the unintentional humor in the testimony of an FBI fingerprint expert last week.

While the man's earnestness could not be questioned, his division of people into "secreters and non-secreters" became the one-liner of the week.

Some of the jokes told about secreters were further evidence that trial lawyers, who handle stresses a world apart from the ordinary, have a unique sense of what is funny about life.

* * *

The same day that the topic of secreters was discussed in court, Evans also took the opportunity to show that being a federal judge for the last four years has not diminished his well-known sense of humor.

After the jury had left the courtroom to go to lunch, Evans deadpanned that he wanted to correct a mistake in the official transcript of the case.

Then, a few seconds after everyone had frozen at attention, Evans said there had been a misspelling of the name of an Italian-American social festival held in New York City.

Evans said the the Feast of St. Gennaro had incorrectly been spelled as Jennaro. Evans then mentioned Circuit Judge William Jennaro and told a long story that made two points:

The first was that Jennaro was his lifelong friend.

The second was that Evans did not want to preside over a trial whose official record would lead anyone to believe his friend was a saint.

* * *

Undercover FBI agent Joseph Pistone was on the witness stand when the misspelling that Evans referred to was made.

Pistone, who spent five years as an undercover agent investigating organized crime in New York City and Milwaukee, did not try to tell a lot of jokes when he was a witness, but he did tell one.

When defense lawyer John D. Murray, who represents Steve DiSalvo, mentioned the Feast of St. Gennaro at one point, Pistone said, " . . . I never met any saints, no, sir."

* * *

Another defense lawyer whose role has crystallized has been nearly silent during the trial.

That lawyer is Michael Brohman, a lawyer with Jenner & Block in Chicago who is assisting John Tucker in his represention of Balistrieri.

While Brohman is respected by the other lawyers in the case, the only time spectators notice him is when Balistrieri's attorney sons, Joseph P. and John J., jump up from their seats and put handwritten notes in Brohman's outstretched hand several times a day.

Brohman then reads the messages and passes them along to Tucker.

The third week of testimony in the trial begins at 10 a.m. Monday.

NEWSPAPER CLIPPING
DJ-DCI-43 (Rev. 7/79)

WISCONSIN DEPARTMENT OF JUSTICE
DIVISION OF CRIMINAL INVESTIGATION

Ring managed by defendant, FBI agent says

By Michele Derus

Salvatore A. Librizzi managed an illegal sports betting ring composed of at least 10 people and which once grossed $47,655 in a day, an FBI agent testified Monday.

Agent William Holmes, a gambling expert, said wiretapped telephone conversations showed that Librizzi was "at least a manager" for football bets in 1977 and 1979.

Holmes, whose testimony continues Tuesday, did not identify Librizzi's boss. Prosecutors say Librizzi handled day-to-day operations in a betting ring headed by Frank P. Balistrieri. Librizzi, Steve Di Salvo, Peter Picciurro, Dennis Librizzi, Carl Micelli, John Piscuine and Balistrieri — who the FBI says is Milwaukee's organized crime boss — are on trial in Federal Court on charges stemming from the alleged ring.

Holmes said Librizzi disseminated line information — the points by which a team was favored to win — and decided on which games they would accept wagers from the following bet writers: Joseph Zizzo, Eugene Kawczynski, Micelli, Nunzio Basile, people named "Matie" and "Tommy" and an unidentified man.

Piscuine handled layoff bets, those passed on by the writers, Holmes testified. The 10th participant, Richard Panella, was Librizzi's "beard" or agent, and placed bets for Librizzi when wagers were unacceptably lopsided, Holmes said.

Wiretapped conversations show that Librizzi charged losing bettors a "juice," or fee, equaling 10% of their bet, Holmes said. Bet writers were allowed to keep a portion of the bets they took and turned the rest over to Librizzi, Holmes said.

The operation handled $31,710 in bets Dec. 23 to 26, 1977, and $58,255 in bets Oct. 13 to 14, 1979, Holmes testified. On Oct. 14, the bets totaled $47,655, he said.

Balistrieri's lawyer, John C. Tucker, suggested that Balistrieri's gambling losses indicated he was merely a luckless bettor, not the leader of such a specialized enterprise.

Tucker pointed to an Oct. 26, 1979, bugged conversation between Balistrieri and an employe in which Balistrieri said "that . . . game aggravated the hell out of me, the way they threw that game away . . . a thousand dollars."

Later, Balistrieri added, "Sixty-four thousand in the hole, can you believe that? . . . I don't come ahead, I never did."

Tucker asked FBI agent Michael DeMarco, "Are you aware from this and other conversations that Mr. Balistrieri occasionally made bets?"

DeMarco said yes.

"Do they suggest he was not a very sophisticated gambler?" Tucker asked.

DeMarco said he did not know.

DATE September 20, 1983

PUBLICATION The Milwaukee Journal

DCIR FILE NUMBER OC-1

War

RECEIVED SEP 23 1983

COMMENTS

NEWSPAPER CLIPPING
DJ-DCI-43 (Rev. 7/79)

WISCONSIN DEPARTMENT OF JUSTICE
DIVISION OF CRIMINAL INVESTIGATION

Lawyers evaluate the Balistrieri puzzle

By Walter Fee
of The Journal Staff

Interpreting the news

To understand the federal government's case in the sports betting trial of Frank P. Balistrieri, close your eyes and visualize a picture puzzle large enough to include the faces of seven defendants.

After the prosecution called its last scheduled witness Tuesday, several lawyers familiar with the case were asked to interpret both the pieces of the puzzle that fit and the pieces that might be missing.

One lawyer said he thought the pieces that fit the best in the case presented by federal prosecutors John Franke and Mark Vogel contained the tape recorded words of the defendants. The tapes were from FBI wiretaps and hidden microphones.

One analyst said the defendants were "stuck with their words on tape." Another said: "The defense can't cross-examine a tape recorder."

But two critics of the prosecution's case said in response that the voice of one of the defendants, Steve DiSalvo, was never recorded. Balistrieri's voice is on two tapes.

The lack of a tape recording of DiSalvo, a fact mentioned again and again by defense lawyer John D. Murray, is one of the biggest missing pieces in the prosecution's case.

One lawyer said the jurors in the case would be impressed by the undercover FBI agents who gathered evidence. Opinion was nearly unanimous that one of those agents, Joseph Pistone, was an effective prosecution witness.

But several lawyers said defense lawyers had been effective during their cross-examination of the other undercover agent, Gail T. Cobb.

At issue during that cross-examination was an investigative report Cobb wrote in which he said he had

Turn to **Analysis**, Page 6

Analysis, From Local Page

overheard Balistrieri offer Pistone a job running Balistrieri's alleged bookmaking business in 1978.

One lawyer said Cobb's report was really a small piece of the overall puzzle. He said that defense lawyers were trying their best to convince jurors that parts of the report were fabricated by Cobb and that, therefore, his entire testimony should be disregarded.

One of the biggest questions Tuesday in the hallway outside the courtroom of Federal Judge Terence T. Evans was who the defense lawyers would call as their witnesses.

The public record in the case indicates that they will call their own gambling expert to try to refute FBI testimony. It also indicates that Balistrieri's two attorney sons, Joseph P. and John J., may be called as witnesses.

In addition to Balistrieri, 65, and DiSalvo, 65, the other defendants are: Salvatore (Sam) Librizzi, 40; his brother, Dennis, 36; Peter Picciurro, 64; Carl Micelli, 64; and John Pisciuine, 76.

Balistrieri, DiSalvo, Picciurro and the two Librizzis are named in the controversial conspiracy count — the first count in the 11-count indictment.

While all five are accused of being part of the same conspiracy, lasting from 1977 to 1980, jurors will weigh the innocence or guilt of each man separately, court records show.

RECEIVED SEP 28 1983

DATE September 21, 1983

PUBLICATION The Milwaukee Journal

DCIR FILE NUMBER OC-1

COMMENTS

WA 21.

NEWSPAPER CLIPPING
DJ-DCI-43 (Rev. 7/79)

WISCONSIN DEPARTMENT OF JUSTICE
DIVISION OF CRIMINAL INVESTIGATION

Betting ring grossed $234,000 in a month, FBI agent testifies

By Michele Derus

A 1980 basketball betting operation led by Frank P. Ballstrieri, Peter Picciurro, Dennis Librizzi and his brother, Salvatore A. Librizzi, grossed nearly a quarter-million dollars in a month, an FBI agent testified Tuesday.

Ballstrieri was "partner or owner" in the operation, and the three other men were partners or managers, said agent William Holmes, a gambling expert.

Holmes said he constructed the hierarchy from wiretapped and bugged conversations, some of which have been played at the men's gambling trial during the past two weeks. Also on trial are Steve Di Salvo, John Pisculne and Carl Micelli.

Recorded conversations show that Micelli was a bet writer in 1980, Holmes said. He did not link Pisculne or Di Salvo to 1980 basketball bets, but has testified that Pisculne was part of the operation for the 1977 and 1979 football seasons.

Other bet writers in 1980 were Eugene Kawzynski, John and Kathy Korich, John Bowers, Ed Feller, and people nicknamed "Mush Mush," "Matches" and "Marko," Holmes testified.

Holmes said an analysis of tape-recorded conversations showed that from Feb. 12, 1980, to March 8, 1980, the men handled bets ranging from $2,564 to $24,190. He provided daily sums that totaled $234,454.

Prosecutors are expected to rest their case Wednesday. Defense lawyers have not said whether their clients would testify.

Under cross-examination from attorney Stephen Glynn, who represents Salvatore Librizzi, Holmes acknowledged that the FBI had erred in some voice identifications made from wiretapped telephone conversations.

The FBI mistakenly identified one person's voice as that of Joseph Volpe, Holmes said. Volpe was indicted in 1981 with the others, but charges later were dropped.

The FBI's original placement of Joseph Zizzo and Nunzio Basile in the alleged gambling operation also proved incorrect, Holmes acknowledged. The men originally were listed as layoff bettors, but were graded down to bet writers when other tapes clarified their position in the hierarchy, Holmes said.

But Holmes rejected Glynn's suggestion of FBI inconsistency, saying that FBI identifications reflected what was "true at the time," and were updated when new information became available.

RECEIVED SEP 28 1983

DATE September 21, 1983

PUBLICATION The Milwaukee Sentinel

DCIR FILE NUMBER OC1

COMMENTS

NEWSPAPER CLIPPING
DJ-DCI-43 (Rev. 7/79)

WISCONSIN DEPARTMENT OF JUSTICE
DIVISION OF CRIMINAL INVESTIGATION

'Ring' theory hit in Balistrieri trial

A defense lawyer hammered away Wednesday at the pyramid of power that prosecutors say proves Frank P. Balistrieri headed an illegal sports betting ring.

The daylong effort by Stephen Glynn, who represents Salvatore A. Librizzi, appeared intended to whittle the number of managers in the alleged betting ring below five.

Without proof of five managers, the federal jury would have to acquit Balistrieri, Librizzi and five others on trial for an alleged gambling ring that operated from 1977 to 1980. The others are Carl Micelli, Steve Di Salvo, Peter Picciurro, John Pisciuine and Dennis Librizzi, who is Salvatore Librizzi's brother.

The government may have connected only four people to 1977 bets, Glynn indicated. Although FBI gambling expert William Holmes named Balistrieri, Salvatore Librizzi, Micelli and people nicknamed "Matches" and "JP," Glynn suggested that "Matches" was Micelli's nickname.

Holmes repeatedly asserted that "Matches" and Micelli were partners, although he acknowledged that he once identified them as the same person.

Prosecutor Mark Vogel and Balistrieri's attorney, John C. Tucker, said in interviews Wednesday that the federal law under which the seven are charged requires proof that at least five people supervised, directed or financed a gambling operation that grossed at least $2,000 daily.

RECEIVED OCT 03 1983

DATE September 22, 1983

PUBLICATION The Milwaukee Sentinel

DCIR FILE NUMBER OC-1

COMMENTS

NEWSPAPER CLIPPING
DJ-DCI-43 (Rev. 7/79)

WISCONSIN DEPARTMENT OF JUSTICE
DIVISION OF CRIMINAL INVESTIGATION

FBI witness tripped up on Rose Bowl question

By Walter Fee
of The Journal Staff

The FBI's gambling expert in the Frank P. Balistrieri sports betting trial testified Thursday that he did not know when the Rose Bowl was played.

In response to a question from defense lawyer Robert Sutton, William Holmes testified that he believed the Rose Bowl might be played on Dec. 26. The Rose Bowl is nationally televised on New Year's Day.

Sutton, who represents Dennis Librizzi, then asked Holmes when the Orange Bowl is played.

Holmes answered that question by saying he believed most major bowl games took place "... in December." The Orange Bowl — like the Rose Bowl — is played on Jan. 1. The Orange Bowl is also nationally televised and for the last several years has been played at night.

Obviously aware there was something wrong with his answers, Holmes volunteered that his gambling expertise was in the area of analyzing tape-recorded conversations and documents — not in sports itself.

Holmes is assigned to the gambling unit of the FBI laboratory in Washington, D.C. He testified that he has been certified as a gambling expert more than 100 times. Holmes was the last scheduled witness called by the federal prosecutors in the sports betting trial, which is now in its third week.

The most animated reaction to Holmes' testimony may have come from Balistrieri's son, Joseph P. Balistrieri. He grinned broadly and shook his head in disbelief immediately after the conclusion of Sutton's cross-examination.

RECEIVED OCT 03 1983

DATE September 22, 1983

PUBLICATION The Milwaukee Journal

DCIR FILE NUMBER OC-1

COMMENTS

NEWSPAPER CLIPPING
DJ-DCI-43 (Rev. 7/79)

WISCONSIN DEPARTMENT OF JUSTICE
DIVISION OF CRIMINAL INVESTIGATION

William Holmes, an FBI agent and gambling expert, testified Thursday in the sports betting trial of Frank P. Balistrieri and six others.
—By Sentinel artist Mario D. Cain

FBI gambling e

Frank P. Balistrieri probably contributed financial support to his alleged sports betting ring, but not expertise, an FBI agent testified Thursday.

"A boss does not have to be knowledgeable," said agent William Holmes, a gambling expert. "If you've got the money, you can be a backer."

Holmes acknowledged under cross-examination by Balistrieri's attorney, John C. Tucker, that he had seen no evidence that Balistrieri decided such matters as when to cut off a bettor for non-payment or what to do when betting heavily favored one team.

Those decisions were made by Salvatore Librizzi and his brother, Dennis, Holmes testified.

Balistrieri, the two Librizzis and four others — Peter Picciurro, Steve Di Salvo, Carl Micelli, and John Piscuine — are on trial for allegedly operating a sports gambling ring.

Tucker pointed out a Jan. 10, 1980, conversation recorded by a hidden microphone in which Balistrieri twice asked Salvatore Librizzi whether one game still remained in the football season.

"Does that sound like the kind of a question an

RECEIVED OCT 0 3 1983

DATE September 23, 1983

PUBLICATION The Milwaukee Sentinel

DCIR FILE NUMBER OC-1

COMMENTS

PING
. 7/79)

WISCONSIN DEPARTMENT OF JUSTICE
DIVISION OF CRIMINAL INVESTIGATION

and gambling expert, testified Thurs-
f Frank P. Balistrieri and six others.
—By Sentinel artist Mario D. Cain

FBI gambling expert testifies

Frank P. Balistrieri probably contributed financial support to his alleged sports betting ring, but not expertise, an FBI agent testified Thursday.

"A boss does not have to be knowledgeable," said agent William Holmes, a gambling expert. "If you've got the money, you can be a backer."

Holmes acknowledged under cross-examination by Balistrieri's attorney, John C. Tucker, that he had seen no evidence that Balistrieri decided such matters as when to cut off a bettor for non-payment or what to do when betting heavily favored one team.

Those decisions were made by Salvatore Librizzi and his brother, Dennis, Holmes testified.

Balistrieri, the two Librizzis and four others — Peter Picciurro, Steve Di Salvo, Carl Micelli, and John Piscuine — are on trial for allegedly operating a sports gambling ring.

Tucker pointed out a Jan. 10, 1980, conversation recorded by a hidden microphone in which Balistrieri twice asked Salvatore Librizzi whether one game still remained in the football season.

"Does that sound like the kind of a question an owner of a bookmaking operation would ask?" Tucker asked.

"I can't answer that with a yes or no," Holmes said, adding that some bookmaking owners leave daily decisions to subordinates.

It was Holmes' third day on the witness stand. Defense attorneys have chipped away at his analysis of wiretapped and bugged conversations.

Despite a barrage of questions from defense attorneys, Holmes would not budge from his assertion that 10 people were involved in the alleged betting operation in 1977, 5 in 1979 and 12 in 1980.

Defense attorneys suggested that Holmes mistakenly counted Micelli twice in 1979 — once by his real name and once by the nickname "Matches."

Atty. Robert Sutton, who represents Dennis Librizzi, asked: "If his sister came into this courtroom and told you that Matches has been his name since he was little," would you believe her?

Holmes said no. "I'm going only by the evidence, not by anyone's opinion," he said.

RECEIVED OCT 0 3 1983

23, 1983

Milwaukee Sentinel

OC-1

COMMENTS

NEWSPAPER CLIPPING
DJ-DCI-43 (Rev. 7/79)

WISCONSIN DEPARTMENT OF JUSTICE
DIVISION OF CRIMINAL INVESTIGATION

Balistrieri jury hears '79 talk about 'bagman'

By Walter Fee
of The Journal Staff

The FBI recorded a conversation in which Frank P. Balistrieri made an apparent reference to Peter Picciurro, the Milwaukee restaurant owner, in which he said: "They think Peter Pitch is my bagman."

A recording of that 1979 conversation was played to jurors at Balistrieri's sports-betting trial Friday in Federal Court. Previous testimony has indicated that Picciurro, a co-defendant in the trial, is known as Peter Pitch.

The tape also included a statement said to be about Picciurro by Balistrieri's son, Joseph P. Balistrieri, who is a lawyer. At that point, the government's transcript reads:

Joseph P. Balistrieri: "He's a courier. Yeah, They think he's a courier."

Frank P. Balistrieri: "Yeah, they think he's

Jury hears tape from '79

Betting, From Local Page

picking up the money for me."

The recording also included the following conversation between Balistrieri and his younger son, John J. Balistrieri, also a lawyer:

Frank P. Balistrieri: " . . . and Peter Pitch thinks he's . . . the cops like him, you know . . . Peter Pitch. . . "

John J. Balistrieri: "Yeah."

Frank P. Balistrieri: " . . . thinks that he's a . . . that he's a precinct captain."

John J. Balistrieri: "Yeah."

At that point in the conversation, Joseph P. Balistrieri, in what the government says was a reference to Picciurro, said: "Not only that, he thinks he's immune from City Hall."

Frank P. Balistrieri: "Yeah, he really does. He . . . yeah . . . he really, he really does. Him and that Frank Monreal both, yeah."

Joseph P. Balistrieri: "Oh, yeah. They think they got everybody in City Hall. They think they got everybody there. I'll be back on Friday. I'm gonna be at the Dunes."

The government transcript also has Joseph Balistrieri referring to Picciurro in saying:

"Peter Pitch is worried about taking the bets with Libby and I'll tell you somethin' about Peter Pitch. . . . I don't mean any disrespect, I'm one of Pitch's attorneys. But he's under subpoena by the federal grand jury. One of the guys that already testified . . . he heard Peter Pitch bet with Sam Libby. . . ."

Frank Balistrieri: "I think that Peter . . . the whisky, got to his brain."

Previous testimony has indicated that co-defendant Salvatore Librizzi occasionally has been referred to by the nickname Sam Libby.

This was the first tape recording that the jurors have heard in which Balistrieri's two sons are heard.

RECEIVED OCT 0 3 1983

DATE September 23, 1983

PUBLICATION The Milwaukee Journal

DCIR FILE NUMBER OC-1

COMMENTS

Wax.

NEWSPAPER CLIPPING
DJ-DCI-43 (Rev. 7/79)

WISCONSIN DEPARTMENT OF JUSTICE
DIVISION OF CRIMINAL INVESTIGATION

Prosecution rests in trial of Balistrieri

The prosecution rested its case Friday after jurors at Frank P. Balistrieri's sports-betting trial heard an FBI tape recording in which Balistrieri and one of his sons said restaurant operators Peter Picciurro and Frank Monreal thought they were "immune from City Hall."

The conversation between Balistrieri and his sons, Joseph P. and John J., was recorded in November 1979 at Snug's restaurant, 1962 N. Prospect Ave.

Picciurro, who is a co-defendant in the trial for an alleged gambling ring that operated from 1977 to 1980, has been identified in previous testimony as "Pitch." He operates two Pitch's restaurants.

In addition to Balistrieri, 65, and Picciurro, 64, other defendants are Steve DiSalvo, 65; Salvatore (Sam) Librizzi, 40; his brother, Dennis, 36; Carl Micelli, 64; and John Pisculne, 76.

At one point in the recording, John Balistrieri said: "Sam and Peter and all of them . . . talk loud, they drink, everybody sits at that little bar, and they don't know who's across the bar . . .

"These guys do it like they're talkin' about stock options. They're not even smart about it."

Joseph Balistrieri said Picciurro "thinks he's immune from City Hall."

"Him and that Frank Monreal both, yeah," Frank Balistrieri responded.

In March, the Sentinel reported that at least 30 citizens were transported in Milwaukee County Sheriff's Department vehicles to and from the World Series from Monreal's El Matador Restaurant at 9155 W. Blue Mound Rd.

RECEIVED OCT 03 1983

DATE September 24, 1983

PUBLICATION The Milwaukee Sentinel

DCIR FILE NUMBER OC-1

COMMENTS

Wad

NEWSPAPER CLIPPING
DJ-DCI-43 (Rev. 7/79)

WISCONSIN DEPARTMENT OF JUSTICE
DIVISION OF CRIMINAL INVESTIGATION

Judge says evidence is against Balistrieri

By Michele Derus

Federal Judge Terence T. Evans said Monday that the "preponderance of evidence" indicated that Frank P. Balistrieri and six others operated a sports betting ring between 1977 and 1980.

Evans' assessment followed three hours of debate over whether the judge should order jurors to acquit Balistrieri; Steve Di Salvo; Peter Picciurro; Salvatore and Dennis Librizzi, who are brothers; Carl Micelli; and John Pisculne.

The jury was not present for lawyers' arguments or Evans' decision. A directed verdict of acquittal would have sent the jury home without hearing the defense's case.

Evans' finding applies only to the questions of whether the trial should continue and whether defendants' comments about each other can be used as evidence.

Prosecutors must meet a tougher standard of guilt "beyond a reasonable doubt" to get a jury conviction.

In rebuffing motions for acquittal, the judge said prosecutors met the less stringent "preponderance of evidence" standard and showed that a gambling conspiracy existed between 1977 and 1980, as charged, and that all defendants were involved.

"The sports changed, the characters in the conspiracy changed," Evans said, adding that "it's not necessary" to prove that each was involved continuously or played a major role.

Evans Turn to Page 10

"The conspiracy law casts a rather large net," Evans said.

The defense scored one victory, however. Evans dismissed one of the four gambling charges against Di Salvo.

Prosecutor John Franke agreed with Di Salvo's attorney, John D. Murray, that the government had failed to prove Di Salvo's involvement in 1980 basketball bets.

Murray also contended that the government failed to prove Di Salvo was ever involved in the alleged sports gambling ring. Murray said a 1978 report from two undercover FBI agents alleged Di Salvo wanted to extort money from bookmakers, not join their operation.

In seeking dismissal of the other charges, defense attorneys argued that prosecutors failed to link defendants in the gambling ring and had relied too heavily on perceived inferences in wiretapped and bugged conversations.

Franke attributed the cryptic nature of some evidence to defendants' efforts to conceal their activities.

Defense attorneys also argued that huge time gaps existed in the alleged gambling conspiracy.

Franke responded, "We cannot and did not prove that every event occurred . . . (but) undercover work, physical surveillance and betting conversations establish very strongly" that a continuing gambling enterprise existed.

By Monday afternoon, the defense had called six witnesses, including three people who testified that Micelli has been nicknamed Matches since boyhood.

Their testimony appeared to reduce the number of managers in the 1979 football betting operation below the legally required minimum of five needed to be a conspiracy. The government's gambling expert, William Holmes, identified five managers that year — Balistrieri, Salvatore Librizzi, Micelli and people nicknamed Matches and JP.

Holmes insisted last week that Matches and Micelli were bet-writing partners, despite defense suggestions that they were the same person.

None of the defendants has testified yet.

RECEIVED OCT 0 4 1983

DATE September 27, 1983

PUBLICATION The Milwaukee Sentinel

DCIR FILE NUMBER OC-1

COMMENTS

Wa4.

NEWSPAPER CLIPPING
DJ-DCI-43 (Rev. 7/79)

WISCONSIN DEPARTMENT OF JUSTICE
DIVISION OF CRIMINAL INVESTIGATION

Evans criticizes headline in Sentinel

A defense motion for a mistrial in the Frank Balistrieri gambling case was taken under advisement Tuesday by Federal Judge Terence T. Evans.

The motion was based on a headline in Tuesday's Milwaukee Sentinel. Defense attorneys also complained about a Channel 12 broadcast last Friday.

Defense lawyers said The Sentinel headline, "Judge says evidence is against Balistrieri" and a Channel 12 broadcast of a government-taped conversation not presented during the trial, represented the worst examples of continuing unfair trial coverage.

Evans called the headline "totally offensive and irresponsible." The judge added, "I'm very disturbed about that kind of headline" and about the placement of the story at the top of Page 1.

The story concerned Evans' ruling Monday that prosecutors had provided sufficient evidence to warrant continuation of the trial.

The judge said he intended to "conduct a separate inquiry into how and why" the tape recording was obtained by Channel 12.

Prosecutor Mark Vogel later said that he provided the tape on the belief it had been introduced as evidence earlier in the trial.

Referring to continuing complaints about media coverage, Evans said "it's very difficult to deal with these things every day" and said defense lawyers had raised "a very important issue."

The jury was not present for Evans' remarks. When he called jurors back to the courtroom, Evans told them that he had made a ruling on evidence in the case, but that he had not formed any opinion as to the guilt or innocence of the defendants.

Evans reminded the jurors that they alone would decide whether the government proved the defendants guilty beyond a reasonable doubt.

RECEIVED OCT 0 4 1983

DATE September 28, 1983

PUBLICATION The Milwaukee Sentinel

DCIR FILE NUMBER OC-1

COMMENTS

Wa4

NEWSPAPER CLIPPING
DJ-DCI-43 (Rev. 7/79)

WISCONSIN DEPARTMENT OF JUSTICE
DIVISION OF CRIMINAL INVESTIGATION

Balistrieri's wife testifies she didn't see betting slips in house

By Michele Derus

Antonina Balistrieri testified Tuesday that she frequently put away papers left around the house by her husband, Frank, and her sons, but said she never saw gambling slips that were seized during a 1980 search of her home.

Mrs. Balistrieri, who was called as a witness by her husband's lawyer, John C. Tucker, testified that she was not aware that the government allegedly found betting slips in their master bedroom.

The testimony came in the fourth week of testimony in the gambling trial of Balistrieri; Steve Di Salvo; Peter Picciurro; Dennis and Salvatore Librizzi, who are brothers; Carl Micelli; and John Piscuine.

Stephen Glynn, attorney for Salvatore Librizzi, rested his case late Tuesday without calling his client to the stand. It was not known whether other defendants would testify.

Mrs. Balistrieri said her lawyer sons, Joseph and John, frequently left papers behind when they visited and that she picked up after her husband "all the time."

Mrs. Balistrieri said she was "very upset" by the March 5, 1980, FBI search of the family home at 3043 N. Shepard Ave.

"They went into my personal things ... my personal drawers," Mrs. Balistrieri said. Asked by prosecutor John Franke if she recognized the betting slips, she said no.

Tucker later called FBI Agent Michael DeMarco as a witness and asked why a April 28, 1980, bugged conversation between Frank and Joseph Balistrieri wasn't offered as evidence.

Tucker's transcript of a tape recording played to the jury quoted Joseph Balistrieri as saying that the betting slips belonged to Salvatore Librizzi and had gotten mixed in with records Librizzi kept for a young people's version of the Italian Open Golf Tournament.

The younger Balistrieri added, "I left 'em at the house and Ma put 'em away ...."

Franke, who had objected to the tape, said he intended to play tapes in which the Balistrieris discuss two explanations for why $200,000 was found in a safe at The Shorecrest, a hotel owned by Joseph Balistrieri in which Frank Balistrieri runs a restaurant.

Franke's statement triggered a flurry of defense objections and motions for mistrial. After a lengthy debate outside the jury's presence, Tucker offered to withdraw his tape if Franke would withdraw his tape.

RECEIVED OCT 0 4 1983

DATE September 28, 1983

PUBLICATION The Milwaukee Journal

DCIR FILE NUMBER OC-1

COMMENTS

CASE ACTIVITY REPORT
DJ-DCI-2 (Rev. 12/79)

consin Department of Justice
DIVISION OF CRIMINAL INVESTIGATION

1. Case Number	2. Date	3. Case Title
OC-1	10-10-85	FRANK P. BALISTRIERI

4. Activity	5. Date of Activity
Contact/Milwaukee P.D. Intelligence Bureau	October 9, 1985

6.

On October 9, 1985, Special Agent Harold S. Engelbart met with members of the Milwaukee Police Department Criminal Intelligence Bureau to obtain information that the Police Department had pertaining to the BALISTRIERI family, current associates, activities and businesses. S/A Engelbart initially met with the head of the Intelligence Unit, Captain Ronald Mehl, his second in command, Lieutenant Tom Brietlow, and Detectives Ted Engelbart, Dave Kane and Tom Hultgren.

S/A Engelbart explained that DCI was constantly receiving inquiries regarding the BALISTRIERI family and was attempting at this time to update the DCI information. S/A Engelbart further pointed out that DCI did not have any active criminal investigation pertaining to any specific violation, but was just keeping the present open intelligence files up-to-date.

Detective Hultgren had the prime responsibility for gathering and maintaining the information pertaining to the alleged Mafia-type intelligence in the Milwaukee area. The Milwaukee Police Department did not have many written reports pertaining to any specific investigations pertaining to the "Mafia" activities, but they were maintaining some identification cards on some of the people the Police Department felt were of interest in that area.

Detective Hultgren advised that FRANK BALISTRIERI and his top Lieutenant, STEVE DISALVO, were still in jail. Detecive Hultgren stated that he thought possibly FRANK'S brother, PETER BALISTRIERI, may be temporarily running the "Family" activities until the current legal problems with FRANK, JOSEPH and JOHN BALISTRIERI are concluded.

Detective Hultgren further advised that the Milwaukee Police Department, specifically the Intelligence Bureau, had no active investigation going at this time involving any suspected illegal activity on the part of the BALISTRIERI family or associates. However, Detective Hultgren advised that he believed that the primary illegal activity being performed by any of the BALISTRIERI associates would involve gambling activity. Detective Hultgren advised that F[redacted] M[redacted] F[redacted] D[redacted], and PETER PICCIURRO, all three owners and operators of various restaurants and bars in the Milwaukee County area, are deeply involved in large-scale gambling activity. Detective Hultgren included DENNIS and SALVATORE "SAM" LIBRIZZI and JOHN PISCUINE, the former operator of the Park East Hotel, as still being involved in

7. Special Agents
Special Agent Harold S. Engelbart

RECEIVED OCT 25 1985

This document contains neither recommendations nor conclusions of the Division of Criminal Investigation, Wisconsin Department of Justice. It is the property of this Division and is loaned to your agency. Its contents are not to be distributed outside your agency.

OC-1-189

gambling activities.

Detective Hultgren further advised that the Intelligence Bureau was maintaining the names, addresses and current license plates on file for various subjects thought to be involved or associated with the BALISTRIERI family and/or activities. A copy of that list, dated August, 1985, was provided to S/A Engelbart. The following names, addresses, dates of birth, Milwaukee Police I.D. numbers and auto license plates were extracted from that list, for DCI intelligence purposes:

ADONNIS, Maximillion J. [redacted] bn [redacted] #85990	EAT 1983 Lincoln Continental, blk/gry (listed to Ford Motor Credit Crop, 9001 N. 76th Street)
A[redacted] B[redacted] [redacted] bn 4-4-31 #65877	B92-782 1963 Ford 4-door
AMIDZICH, Kurt Boris [redacted] bn 8-29-42 #96093	G21-945 1978 Buick 2-door (listed to Roseann Amidzich)
A[redacted], N[redacted] [redacted] #3A bn [redacted]	ES2688 1982 Oldsmobile 2-door, black
BALISTRIERI, Frank Peter 3043 North Shepard Avenue bn [redacted]	AC8843 1980 Cadillac Deville 4-door, black (listed to John J. Balistrieri)
BALISTRIERI, John Joseph [redacted] bn 8-25-48 or 49	JJB-1 1974 Mercedes, blue AC8843 1980 Cadillac Deville 4-door, black
BALISTRIERI, Joseph Phillip [redacted] bn 9-8-40	JPB-1 1985 Cadillac 4-door
BALISTRIERI, Peter Frank [redacted] bn 9-12-19 #45854	X14-986 1980 Cadillac 4-door, light blue
CARMENCITA ENTERPRISES 1962 North Prospect Avenue	JD8059 1979 Mercedes 4-door, beige
C[redacted], S[redacted] [redacted] bn [redacted] #47120	X36-519 1979 Oldsmobile 2-door

C[redacted], I[redacted] [redacted] bn [redacted]	N79-221 1978 Cadillac 2-door, white
DiSALVO, Steve J. [redacted] bn [redacted] #49245	U69-105 1977 Chevrolet S-W, brown wood panels
ENEA, Russell Joseph [redacted] bn [redacted] #132369	
F[redacted], R[redacted] [redacted] bn [redacted]	
F[redacted] A[redacted] [redacted]	V26-933 1972 Chevrolet 2-door
F[redacted] A[redacted] [redacted] bn [redacted]	NR3984 1982 Buick 4-door (listed to GMAC Executive Leasing, 202 Executive Dr., Brookfield)
F[redacted] A[redacted] [redacted] bn [redacted]	LP6895 1975 Chrysler New Yorker 4-door
G[redacted] G[redacted] [redacted] bn [redacted]	CSG-1 1975 Mercedes 4-door (listed to The Hair Co. Ltd. 324 E. Wisconsin Avenue)
G[redacted] G[redacted] [redacted], Brown Deer bn [redacted] #100514	GROMAC 1981 Cadillac Deville 2-door
JENNARO, James Raymond [redacted], Oconomowoc bn [redacted] #55428	G26-188 1978 Cadillac 4-door, black KE 9816 1976 Mercedes 2-door, silver (listed to Giuffre Brothers Crane Inc, 9770 Ridgeview, Oak Creek)
K[redacted], H[redacted] [redacted]	AG1252 1974 Hornet 4-door
I[redacted], D[redacted] [redacted], Whitefish Bay bn [redacted]	F37-754 1971 Buick 4-door (listed to Carole Librizzi)

	S63-005 1980 Oldsmobile S/W (listed to Carole Librizzi)
LIBRIZZI, Salvatore Joseph [redacted] Bn [redacted] #26623	LD8344 1976 Oldsmobile 4-door
M[redacted], A[redacted] [redacted] bn [redacted] #104018	W44-557 1978 Ford 2-door
M[redacted], A[redacted] [redacted] bn 11-11-12 $30613	D70-189 1983 Chrysler New Yorker 4-door
M[redacted], T[redacted] [redacted] bn 2-22-17 #27906	X27-335 1979 Buick 2-door, silver
M[redacted] D[redacted] [redacted] bn [redacted] #27819	ED8581 1985 Cadillac Fleetwood 4-door
M[redacted] [redacted] bn [redacted] #35477	K13-102 1977 Chevrolet Impala S/W (listed to M[redacted] M[redacted]
M[redacted], V[redacted] [redacted]	F15-719 1977 Oldsmobile 4-door
MANIACI, Joseph [redacted] bn [redacted] #25332	X88-105 1978 Plymouth 4-door
M[redacted], C[redacted] bn [redacted] #85627 [redacted]	
N[redacted] N[redacted] [redacted] bn [redacted]	NN-2 1979 Cadillac 2-door, blk/white (listed to K[redacted] K[redacted])
P[redacted] C[redacted] ([redacted] [redacted] bn [redacted]	M50-642 1978 Jeep, blue/white
PAPIA, Sally A. [redacted] bn [redacted] #147781	U21000 1972 Mercedes 2-door (also listed to daughter Candy)

	1SP1 1984 Cadillac coupe
	SALLYS 1978 Cadillac Eldorado coupe (listed to SAllys Steakhouse 1028 E. Juneau)
	P89 1974 Cadillac 2-door (listed to Sallys Steakhouse, 1028 E. Juneau)
PICCIURRO, Peter Frank [redacted] bn [redacted] #164924	K45-981 1978 Cadillac Fleetwood 4-door
	U85-408 1976 Chevrolet
P[redacted], T[redacted] [redacted] bn [redacted] #30334	P19-492 1973 Cadillac convt. white (listed to M[redacted] P[redacted])
P[redacted], J[redacted] [redacted] bn [redacted] #30334	E93-893 1979 Ford 2-door
P[redacted], R[redacted] [redacted] bn 9-16-14 #189093	T16-148 1980 Buick Century 4-door
SNUGS INC. 1962 North Prospect Avenue	SNUG'S 1978 Cadillac 4-door limo, black
S[redacted], R[redacted] [redacted] bn [redacted] #30238	L31-573 1976 Dodge Van, tan
T[redacted], R[redacted] [redacted] bn [redacted] #70124	FAT 1977 Mercedes 2-door, green
W[redacted] K[redacted] [redacted] bn [redacted] #81098	D98-159 1976 Dodge

HSE:clh
10-11-85

NEWSPAPER CLIPPING
DJ-DCI-43 (Rev. 7/79)

WISCONSIN DEPARTMENT OF JUSTICE
DIVISION OF CRIMINAL INVESTIGATION

Williams says he was paid for vote

Kansas City, Mo. —AP— Former Teamsters Union President Roy Williams testified Thursday that a reputed organized-crime leader had paid him $1,500 a month for seven years in return for a favorable vote on a multimillion-dollar loan from the union's Central States Pension Fund.

Williams, 70, said he had received the money from the late Nick Civella, described by the government as the organized crime boss in Kansas City until his death from cancer in 1983.

Williams, who was forced to resign after his 1982 conviction for conspiring to bribe a US senator, testified for the prosecution in the Federal Court trial of nine men accused of conspiring to skim gambling receipts from Las Vegas casinos owned by Argent Corp.

The defendants include Frank P. Balistrieri, identified in federal documents as Milwaukee's organized crime leader, and his sons, Joseph and John.

The government contends that the defendants illegally gained hidden control of the casinos by using their influence on pension fund trustees to get loans for Allen Glick, former owner of Argent. Glick is not a defendant in the current case.

Glick bought the Stardust and Fremont casinos in 1974 with a $62.75 million loan from the pension fund and later that year got a $25 million loan to remodel them.

Williams, a pension fund trustee at the time the loans were made and a longtime Kansas City union leader, said in his opening testimony Wednesday that he and Civella had been "very close friends" who often helped each other.

Under questioning Thursday by David Helfrey of the Justice Department's organized crime strike force, Williams said Civella had asked him in 1974 to use his influence to gain loan approval, which he said was "not unusual."

Williams was recording secretary of the union's Central Conference at the time.

Williams said he and Civella had met at least once a month and had exchanged messages often. Williams said he always replied to Civella through Sam Ancona, a Teamster official who worked closely with Williams.

In one conversation, Williams said, "Civella told me that Ranney of Milwaukee knows my people in Milwaukee."

Frank J. Ranney, a former secretary-treasurer of Teamsters Local 200 in Milwaukee, was a trustee of the pension fund in 1974.

Ranney, who now lives in Boca Raton, Fla., has an unlisted telephone number and could not be reached for comment.

Williams said Civella had talked to him about a loan, which Williams had understood to be for $63 million to the Stardust Hotel.

He said Civella had told him to "follow Plug's lead" on the loan. He said "Plug" was a nickname for the late William Presser, an Ohio Teamster leader and pension fund trustee whose son, Jackie Presser, succeeded Williams as Teamster president.

Williams said the $1,500 a month, which he said he received in return for his vote on the loan, had been sent to him from Civella through Ancona. He said the payments had continued until mid-1981 and had been halted "because I asked him to stop."

Helfrey did not ask why Williams had wanted the payments cut off, but it was in June 1981 that Williams was elected Teamster president.

DATE NOVEMBER 1, 1985

PUBLICATION MILWAUKEE SENTINEL

CIR FILE NUMBER OC-1

COMMENTS RECEIVED NOV 7 1985

NEWSPAPER CLIPPING
DJ-DCI-43 (Rev. 7/79)

WISCONSIN DEPARTMENT OF JUSTICE
DIVISION OF CRIMINAL INVESTIGATION

Ex-Teamster denies tie to Milwaukee men

Special to The Journal

Kansas City, Mo. — Former Teamster president Roy Lee Williams testified Monday that he never conferred with two former Milwaukee Teamster leaders over the merits of a $62.7 million loan to a San Diego businessman to buy the Stardust Casino in Las Vegas.

On the witness stand in Federal Court for the third day, the 70-year-old Williams said he spoke only with the late William Presser, who was then chairman of the Teamsters Central States Pension Fund. He testified that he urged Presser to approve the loan from the fund.

William Presser, who died in 1981, was the father of Jackie Presser, the current Teamsters president.

Williams testified in the trial of nine reputed mob officials from four Midwest cities who are charged with skimming $2 million from the casino. Part of the plan, prosecutors charge, included securing the Teamsters loan so San Diego businessman Allen Glick could buy the Stardust. In return for securing the loan, profits from the casino counting room were skimmed monthly and divided among the mob families, prosecutors say.

Williams' testimony has been under a grant of immunity from prosecution. He is hopeful that his cooperation will lead to a reduction in his 10-year sentence for bribery, which is set to begin Dec. 2.

Under cross examination by Joseph Balistrieri, a Milwaukee lawyer who is one of the nine defendants, Williams said he did not talk about the loan to Milwaukee fund trustees Frank Ranney and Thomas Duffey. He noted that Ranney was appointed as a trustee when the fund was created in 1955 by Jimmy Hoffa, then Teamsters president.

"I know Frank Ranney but he and I didn't get along too good," Williams told the jury. "I only talked with Bill Presser because he was head of the [loan] committee."

Ranney, former secretary-treasurer of Milwaukee Teamsters Local 200, is retired and now lives in Boca Raton, Fla.

Duffey, a former Wisconsin state representative, lives in Wauwatosa and practices law.

Williams also said he was unaware that Glick had "lobbied" Ranney and Duffey for their approval of the loan.

Williams, who is ill with advanced emphysema and a heart condition, also testified that he never had a conversation about the Stardust loan with either Joseph Balistrieri or his brother, John, both of whom are defendants.

He also testified that he did not know their father, Frank, another defendant.

He told Joseph Balistrieri, "I don't know you, so why would I have a conversation with you?"

Government lawyers have charged that an option held by the Balistrieris to buy 50% of the Stardust from Glick is part of the evidence of the mob bosses' illegal connection to the casino.

ATE NOVEMBER 5, 1985

PUBLICATION THE MILWAUKEE JOURNAL

CIR FILE NUMBER OC-1

COMMENTS

NEWSPAPER CLIPPING
DJ-DCI-43 (Rev. 7/79)

WISCONSIN DEPARTMENT OF JUSTICE
DIVISION OF CRIMINAL INVESTIGATION

Balistrieri played role in loan, witness says

Special to The Journal

Kansas City, Mo. — A San Diego businessman says he was told that Milwaukee crime boss Frank Balistrieri was the person who could help him the most in obtaining a $62.7 million loan from the Teamsters union pension fund to buy a Las Vegas casino.

Allen Glick, testifying Wednesday in Federal Court here, said the advice came in 1973 from Frank Ranney, former secretary-treasurer of Milwaukee Teamsters Local 200 and a close friend of Balistrieri's. Ranney is a trustee of the Teamster Central States Pension fund, which has headquarters in Chicago.

"Ranney told me that if I had any chance of getting a loan from the fund, I had to see Frank Balistrieri," Glick testified. "Ranney said Balistrieri was very influential in the fund."

Balistrieri, 68, and his two sons, Joseph, 45, and John, 37, both lawyers, are among eight men on trial for allegedly skimming $2 million from the Stardust Casino, which Glick later bought with the Teamsters loan. The defendants also are charged with concealing their ownership of the casino.

Glick told the jury that he was operating two small casinos in Las Vegas in 1973 when he learned that the Stardust Casino on the Strip and the Fremont Hotel downtown were for sale.

"I saw it as the deal of a lifetime and I couldn't pass it up," he said.

Glick said he contacted Alvin Barron, then assets manager for the pension fund, who suggested the meeting with Ranney. Glick said he decided to seek the money from the Teamsters because the fund already held the mortgage on the Stardust, and had lent him $11 million to buy a surplus government building in Texas.

Barron set up the meeting with Ranney in the Chicago offices of the pension fund, Glick testified. Ranney's subsequent suggestion to cater to Balistrieri's influence led to a series of meetings during the following months, Glick said.

At one of the meetings in Milwaukee, Glick testified, Balistrieri suggested that his sons could help Glick with legal work involving the loan.

"He also told me that if the loan was obtained, he would like his sons to have an active role in the corporation," Glick testified. "He repeated later that he wanted his sons to be part of the organization."

At the time Glick was in the process of forming a new corporation known as Argent to consolidate all of his casino operations once the Teamster loan was approved.

In June 1974, Glick said, Balistrieri again told him that he wanted to formalize an agreement for his sons. Meeting later with Joseph and John, Glick said he was shown an option agreement that called for the Balistrieri sons to pay Glick $30,000 for 50% of the Argent Corp.

"I told them I wanted more time to think about it but they said it could be a factor in getting the loan," said Glick, who then signed the agreement.

Glick added that he never received any money for the option agreement.

After thinking about the agreement for a few days, Glick said he realized that it could cause problems with Nevada gaming officials, who investigate all potential casino owners or anyone who might hold an option for a casino.

The agreement was among records seized in 1980 during FBI raids in the homes or offices of the Balistrieris in Milwaukee.

In another development in the trial Wednesday, Carl DeLuna, another of the defendants, was thought to have pleaded guilty to conspiracy charges.

Federal Judge Joseph E. Stevens told the jury that the charges against DeLuna had been disposed of and that he was no longer a defendant in the case.

ATE NOVEMBER 7, 1985

UBLICATION THE MILWAUKEE JOURNAL

CIR FILE NUMBER OC-1

COMMENTS

NEWSPAPER CLIPPING
DJ-DCI-43 (Rev. 7/79)

WISCONSIN DEPARTMENT OF JUSTICE
DIVISION OF CRIMINAL INVESTIGATION

Prosecutor wants stiff penalty for Chicagoan

By LINDA STEINER
of The Journal staff

An Illinois man awaiting sentencing here on a conviction of criminal contempt of court is an organized crime figure tied to Frank P. Balistrieri and deserves severe punishment, according to papers filed Tuesday in Federal Court.

John Monteleone, 61, has been an enforcer, has provided protection for the Chicago mob's gambling businesses and has collected "street taxes" from independent illegal enterprises, John Franke, the prosecutor in the case, told Judge Thomas Curran in a sentencing memorandum.

Monteleone is scheduled to be sentenced Jan. 14. There is no maximum sentence for criminal contempt of court.

Monteleone was to have been sentenced next week, but his attorney, Louis Carbonaro, is repesenting a defendant in a trial in Kansas City in which Balistrieri, 67, and his two lawyer sons, Joseph, 45, and John, 37, are defendants.

Monteleone was convicted of contempt in August after he refused to testify before a federal grand jury here in 1983 even though he had received immunity from prosecution.

In 1979, Monteleone was questioned by a grand jury connected to the indictment of Balistrieri on extortion charges, but Monteleone pleaded the Fifth Amendment against self-incrimination and refused to testify.

Monteleone's refusals were "an integral part of [his] association with organized crime in Milwaukee and Chicago," Franke wrote.

Franke said that at the sentencing, information would be given to show that in August 1977, Monteleone and Milwaukee mob associates had Vincent J. Maniaci under surveillance. About a week later, a powerful dynamite bomb was found in Maniaci's car.

At the time, Maniaci was living in a federal halfway house after being sentenced in June 1975 to a three-year federal prison term for extortion. He served part of that time in a federal prison in Chicago.

Maniaci is the brother of August J. Maniaci, who was gunned down in September 1975. August Maniaci's body was found behind his East Side home with five small bullet wounds in his head. Authorities believed August's death was ordered as part of a power struggle among organized crime figures at the time.

That attempted murder of Vincent Maniaci and two unspecified murders were the subject of the grand jury investigation in 1979, according to Franke.

Just before Monteleone's appearance at that grand jury, Balistrieri and his two sons, Joseph and John, had a discussion that was recorded by federal agents in which Balistrieri indicated that certain witnesses had been ordered not to testify, and, if necessary, go to jail rather than testify, Franke told Curran.

"While not identified by name, statements made during this conversation indicate that the . . . witnesses referred to by Frank Balistrieri included John Monteleone," Franke said.

Monteleone's refusal to talk deprived society of evidence that might have aided the investigation of many serious offenses, Franke said in the memo.

DATE NOVEMBER 7, 1985

PUBLICATION THE MILWAUKEE JOURNAL

DCIR FILE NUMBER OC-1

COMMENTS

NEWSPAPER CLIPPING
DJ-DCI-43 (Rev. 7/79)

WISCONSIN DEPARTMENT OF JUSTICE
DIVISION OF CRIMINAL INVESTIGATION

Balistrieri tied to OK of loan, witness says

Special to The Sentinel

Kansas City, Mo. — California entrepreneur Allen Glick testified in Federal Court Wednesday that he believed he would not have gotten a $62 million loan from the Teamsters Union pension fund without the help of Frank P. Balistrieri of Milwaukee.

Glick said that when he approached the Teamsters for a loan, Frank Ranney, a pension fund trustee from Milwaukee, told him, "Frank Balistrieri was a friend and was influential at the pension fund."

The government claims Glick was forced by organized crime figures to sign an option giving up half interest in his Argent Corp. to get the loan from the Central States Pension Fund.

"When Frank Balistrieri asked me to formalize the option with his sons on June 15, 1974, I had the feeling I wouldn't get the loan if I did not," Glick testified.

He said time was running out for him to borrow money to buy the Stardust and Fremont casinos in Las Vegas and he would have lost a $2 million deposit if he had not gotten a loan.

Balistrieri and his two sons, Joseph P. and John J., are on trial with five other men charged with conspiring to hide the ownership of four casinos and skimming nearly $2 million in profits to avoid paying taxes. All have pleaded not guilty.

Glick said that in early April 1974 he contacted the owners of the Stardust and Fremont with an offer to buy the gambling houses and agreed to come up with the $62 million sale price within six months or forfeit a $2 million deposit.

In the next few weeks, other efforts at raising the money failed and he contacted the pension fund.

He said he had several meetings with Central States officials, including Ranney, who said Glick must get together with Frank Balistrieri if he wanted the loan.

A few days later, Balistrieri called and the two set up a late April meeting in Chicago, Glick said.

"I knew he was not a trustee but met with him because a trustee and the (fund's) asset manager said it was important if I wanted the loan," Glick said.

At other meetings in May, Balistrieri said he did not think he could help because one trustee was opposed, Glick said.

But, Glick continued, Balistrieri told him to submit a loan application and suggested his sons be used as the entrepreneur's attorneys.

Glick said throughout May he was in contact with members of the Balistrieri family at least weekly, mostly by telephone but also in meetings in Milwaukee, Chicago and Las Vegas.

"Frank Balistrieri made it clear he wanted to see his sons have an active role in the corporation," Glick said.

On June 15 in John Balistrieri's law office, the father left the room after saying he wanted to formalize an opportunity for his sons if the loan was approved, Glick said.

Joseph and John Balistrieri, who were "cordial and businesslike," then produced a document which said they would pay $30,000 for an option to own 50% of the Argent Corp., Glick said.

He told them he wanted to think about it but said he knew he was running out of time to get his loan.

"Joe Balistrieri, I believe, said they were told by their father that this option agreement was an important factor if the loan was to proceed," Glick said.

He said he signed the agreement that day but a few days later had second thoughts when he realized he would have trouble submitting new names for casino ownership to the Nevada Gaming Control Board.

Glick said he met with the Balistrieri sons again, saying he wanted to void the option, even if it meant not getting the loan.

"So I thought the option was voided," he said. "My copy was torn up and I thought theirs was too. Later I found out otherwise."

Glick said he never got the $30,000.

Glick said Frank Balistrieri had told him if he needed to contact him, he could be reached through his sons' law office or at home. Glick was to say, "I was calling for Uncle John."

Earlier Wednesday, Carl DeLuna, of Kansas City, was dropped as a defendant in the case.

Glick says Balistrieri seen as key for loan

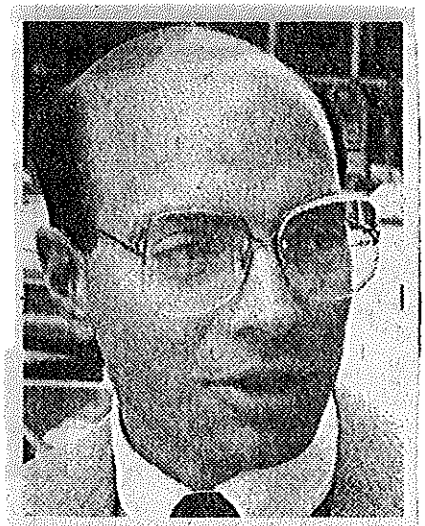
DATE NOVEMBER 7, 1985

PUBLICATION MILWAUKEE SENTINEL

DCIR FILE NUMBER OC-1

COMMENTS

Glick tells of threats to his life



Allen Glick

Rosenthal told Glick, "You're about to meet an individual who is much more prominent in these circles than Mr. Balistrieri."

At a hotel, he met Nick Civella, reputed organized crime leader in Kansas City, who died of cancer in 1983.

Glick described the hotel room as dark except for a bright light behind one chair, as in an interrogation center.

Civella started the conversation by saying Glick apparently had not gotten the message from Balistrieri.

"Cling to every word I say," Civella said. "It would be my choice that you never leave this room alive, but because of associates and circumstances, you may."

Glick told jurors, "I'm sitting here with this light in my eyes and he wants to know about my understanding with Frank. And I said it's just a business deal with his sons."

"I don't believe that," he said Civella responded. "You have a commitment to us. You owe us a million and 200,000 dollars and we own part of your corporation."

Glick said he wanted no part of the deal, but Civella told him it was too late.

Then, according to Glick, Civella "in graphic terms tells DeLuna to go to Milwaukee and yank Frank Balistrieri out of bed and bring him back."

On the way back to the airport, DeLuna complained about having to go to Milwaukee "and get Fancy Pants," Glick said.

The next day, Glick said, he called Balistrieri, who sounded upset after his meeting with Civella.

Balistrieri told him, "I can't help you, because you made a mistake talking to anyone other than me and now it's out of my hands."

The situation with Rosenthal did not improve, and Glick eventually hired the detective agency, which led to the April 1976 death threat from Balistrieri, Glick said. He described Balistrieri as nervous during that encounter.

Glick described how he became worried in mid-1974, shortly after he had gotten the Teamsters loan, hired Balistrieri's sons as corporation attorneys and signed an option giving the younger Balistrieris half of the Argent Corp. for $30,000.

That fall, about the time Balistrieri was pressuring him to promote Rosenthal, Glick said, he asked the Chicago law firm of Jenner & Block to look into Frank Balistrieri for him.

The word came back "that Frank Balistrieri was a person I should stay away from, because he was prominent in a powerful organization," Glick said.

DJ-DCI-43 (Rev. 7/79)

WISCONSIN DEPARTMENT OF JUSTICE
DIVISION OF CRIMINAL INVESTIGATION

Glick tells of Balistrieri's threats

Special to The Sentinel

Kansas City, Mo. — Frank P. Balistrieri told Allen Glick he would be killed if he continued to cause trouble over how his four Las Vegas (Nev.) casinos were to be operated, Glick testified in Federal Court Thursday.

"I'm here to tell you that I don't know if I can prevent something from happening to you, but if something like this happens again, I can't prevent it," Glick quoted Balistrieri as saying.

At the time — April 1976 — Glick reportedly was becoming the No. 1 casino owner in Las Vegas, but he told the jury he felt he was in a "subculture" and had entered a trap.

Balistrieri's warning came after Glick had angered a number of people by hiring a detective agency to check on Frank Rosenthal, whom Balistrieri had told Glick to appoint to an executive position at his casinos.

Balistrieri and his two sons, Joseph P. and John J., all of Milwaukee, are on trial here with five other alleged organized crime leaders from Chicago, Cleveland and Kansas City on charges of conspiring to hide the ownership of the casinos and skimming nearly $2 million from the profits.

During Glick's second day on the stand as a prosecution witness, Glick described how he had lost control of his Argent Corp., which had borrowed $62.7 million from the Teamsters Union Central States Pension Fund to buy the Stardust and Fremont casinos.

The government alleges Frank Balistrieri was instrumental in arranging that loan.

In fall 1974, when Glick challenged Rosenthal's power, Glick said Rosenthal told him during a heated conversation:

"I think it's time we had a discussion, Glick, that you become informed of what's going on here.

"I was put here for the benefit of others. I don't have to tolerate any nonsense from you.

"You're not my boss. When I say you don't have a choice, I'm talking about your health.

"If you interfere with what we're doing here, you'll never leave this corporation alive."

Glick said he called Frank Balistrieri and asked, "What have you gotten me into?"

He said Balistrieri was conciliatory but stated that Rosenthal's threats were accurate.

In March 1975, Glick said, he received a call from Rosenthal, who was in Kansas City. Rosenthal ordered him to fly there that night, he said.

Glick described the trip this way:

He was met at the airport by Rosenthal and Carl DeLuna, who later was convicted in another casino trial. DeLuna was dropped as a defendant in the current trial this week, for reasons the government has not yet explained.

Vegas casino takeover detailed

DATE NOVEMBER 8, 1985

PUBLICATION MILWAUKEE SENTINEL

CIR FILE NUMBER OC-1

COMMENTS

NEWSPAPER CLIPPING
DJ-DCI-43 (Rev. 7/79)

WISCONSIN DEPARTMENT OF JUSTICE
DIVISION OF CRIMINAL INVESTIGATION

Businessman Glick tells of mob threats

Special to The Journal

Kansas City, Mo. — Allen Glick, former Las Vegas casino owner, testified Thursday that Frank P. Balistrieri, head of Milwaukee's crime family, told him that he would be killed if he tried to oust mob representatives from the Stardust Casino.

Glick also told a Federal Court jury here that it was Balistrieri who insisted that he hire Chicago mob associate Frank Rosenthal as overseer of operations at the Stardust.

Glick testified at the trial of Balistrieri, 68; his two lawyer sons, Joseph, 45, and John, 37; and five other men. Government prosecutors say the Balistrieris and the others conspired to skim $2 million from the Stardust's profits and concealed their interest in the casino.

In earlier testimony, Glick said he was sent to Balistrieri by Frank Ranney, former secretary-treasurer of Milwaukee Teamster Local 200, for help in obtaining a $62.7 million loan from the Teamsters Central States Pension Fund to buy the Stardust in 1974.

Angelo Lonardo, a Cleveland mobster, has testified at the trial that Balistrieri told him that he enlisted the aid of other mob bosses to engineer the loan from the pension fund to Glick. The government is trying to prove that the mobsters had enough influence over some of the pension fund trustees to promote the kind of loan Glick needed.

Glick, 43, a San Diego businessman who was an army captain in Vietnam, testified that he also was threatened with death by Rosenthal and Nick Civella, the late Kansas City mob boss, if he did not go along with their demands.

Glick's testimony is considered a major part of the government's case against the eight mob bosses.

Glick said Rosenthal's responsibility was to look for ways to improve the casino and report to him. But within two days, Glick said, he learned that Rosenthal had begun firing casino employes and making other changes.

When he protested the firings, Glick said he was told by Rosenthal that if he interferred with casino operations, "you will never leave the corporation alive."

Glick said Rosenthal told him "not to test me, because the people I represent have power."

Glick testified that he was in shock when he telephoned Balistrieri in Milwaukee a short time later.

"I told him that I wanted to know what he had gotten me into," Glick said. "When I told Balistrieri what Rosenthal said, he acknowledged that Rosenthal made an accurate statement."

"Balistrieri suggested that I heed Rosenthal's advice," Glick testified. "He also impressed upon me that my life hinged upon doing what was right for the corporation."

Glick told the jury that he decided to go along with the mobsters' activities for the time being because Rosenthal was under investigation for licensing by Nevada gaming authorities. He said he thought Rosenthal would not pass the state's scrutiny and would be forced to leave the casino.

In early 1976, Glick said Rosenthal was denied his gaming license. In a memo to employes, Glick ordered all casino employes to have nothing to do with Rosenthal because he was no longer sanctioned by the state as an employe, he told the jury.

But Glick said that a short time later he received information that some casino employes were making daily trips to Rosenthal's home. He hired a private detective to photograph the employes, but that led to an angry confrontation with Balistrieri, Glick told the jury.

Glick testified that Balistrieri called him to say he was coming to Las Vegas to talk to him, and a meeting was arranged at the MGM Hotel.

Balistrieri appeared nervous, Glick recalled. "He said I had committed an act that was frowned upon — the worst thing I could do — hiring the private detectives."

Glick quoted Balistrieri as saying: "I don't know if I can prevent anything happening to you. If it happens again, I cannot prevent it."

When David Helfrey, US strike-force attorney, asked what Balistrieri meant, Glick answered: "He said I would be killed. He also told me to leave Rosenthal alone."

DATE NOVEMBER 9, 1985
PUBLICATION THE MILWAUKEE JOURNAL
CIR FILE NUMBER OC-1
COMMENTS

NEWSPAPER CLIPPING
DJ-DCI-43 (Rev. 7/79)

WISCONSIN DEPARTMENT OF JUSTICE
DIVISION OF CRIMINAL INVESTIGATION

Glick testifies sons' lives were threatened

Special to The Sentinel and from wire services

Kansas City, Mo. — Former Las Vegas casino owner Allen Glick testified Friday that a reputed organized crime figure in Kansas City threatened to murder his sons "one by one" if he didn't immediately sell the Argent Corp., which owned four gambling houses.

In his third day of testimony in the casino skimming trial, Glick was asked to recall a meeting in the late 1970s with Carl DeLuna of Kansas City.

Prosecutors have charged that DeLuna; Frank P. Balistrieri and his sons, Joseph P. and John J., all of Milwaukee; and five other men held a hidden control of Argent.

The defendants have been accused of skimming an estimated $2 million in gambling receipts from its Las Vegas casinos and distributing the money to organized crime interests in Las Vegas, Kansas City, Chicago, Milwaukee and Cleveland.

Earlier this week, DeLuna was dropped as a defendant in the current trial, for reasons the government has not explained.

Glick, 46, has testified that he was left as a figurehead at Argent when alleged mobsters muscled in on the company.

Glick said Friday that threats against his family were made at a meeting with DeLuna in the office of Oscar Goodman, a Las Vegas attorney. Glick said that when he arrived, DeLuna was sitting with his feet propped up on the lawyer's desk.

"I entered Goodman's office and DeLuna, in a gruff voice, using graphic terms, told me to sit down," Glick said during afternoon testimony. "He said he was sent there to deliver one last, final message to me from his partners.

"He stated that he and his partners were finally sick of having to deal with me and having me around. He informed me that it was their desire for me to sell Argent Corp. immediately and I was to announce the sale as soon as I left the office."

Glick said DeLuna then began threatening him, saying that if Glick did not announce the sale, "he, one by one, would have each of my sons murdered." DeLuna proceeded to give the names and ages of the sons, Glick said.

Glick said he notified Nevada gaming authorities of his plans to sell properties and publicly announced that he would sell Argent Corp. in June 1978.

In morning testimony, Glick said an Argent associate had suggested in 1977 that Glick buy out the interests of men described as "partners" for $10 million in cash.

Glick testified about a conversation with Frank Rosenthal, who had been installed as an Argent casino operator against his wishes after Glick established Argent and bought two casinos with the loan from the Teamsters Union's Central States Pension Fund.

"Mr. Rosenthal came into my office one afternoon," Glick said. "He told me he felt $10 million in cash payments should be offered to the partners to regain their 50% ownership."

Glick said he gave serious consideration to buying out the partners, whom he did not identify in his testimony, but said he did not seriously consider the proposed $10 million buyout as a "possible or plausible thing to do."

"I didn't know what to think," Glick said. "As far as I was concerned, Rosenthal was a pathological liar and a pyschotic."

Earlier, Glick had testified that Frank Balistrieri had helped him obtain the Teamsters loan. To get that support, Glick said, he gave an option for 50% of Argent Corp. to Joseph and John Balistrieri.

Thursday, Glick testified that Frank Balistrieri had pressured him to promote Rosenthal to an executive post in Argent Corp.

Glick also testifed that Frank Balistrieri, Rosenthal and Nick Civella, a reputed Kansas City mob figure, had warned that Glick would be killed if he didn't do what they wanted.

The prosecution Friday introduced a business card and a page from Frank Balistrieri's telephone and address book seized by the FBI in a raid on Balistrieri's home March 5, 1980.

Both the card and the page carried the handwritten name "Lefty," which the government claims is the code name for Rosenthal, and Rosenthal's Las Vegas phone number.

ATE NOVEMBER 9, 1985

UBLICATION MILWAUKEE SENTINEL

CIR FILE NUMBER OC-1

COMMENTS

DJ-DCI-43 (Rev. 7/79)

(ISCONSIN DEPARTMENT OF (CE
DIVISION OF CRIMINAL INVESTIGATION

Balistrieri collapses at court

Special to The Journal

Kansas City, Mo. — Milwaukee Mafia boss Frank P. Balistrieri, 68, collapsed in the Federal Courthouse here Wednesday morning after being told that his appeal of his bookmaking conviction had been turned down by the Federal Appeals Court in Chicago.

Balistrieri was treated by paramedics after he reported dizzy spells shortly after his arrival at the courthouse. He declined to be taken to a hospital.

Balistrieri and his two sons, John, 37, and Joseph, 45, are on trial here on charges that they and five other men conspired to skim nearly $2 million from Las Vegas casinos.

The trial was delayed while Balistrieri was being treated, but it resumed about 11 a.m.

On Tuesday, a three-judge appellate panel in Chicago upheld the 1983 convictions of the elder Balistrieri and two co-defendants, Steve DiSalvo, 67, and Dennis Librizzi, 38.

The 67-page decision was written by Judge Jesse Eschbach. He was joined on the panel by 7th US Circuit Judge Joel Flaum and Floyd Gibson, a senior appeals judge from the 8th US Circuit.

The three Balistrieris are involved in one additional appeal still pending before the Federal Appeals Court in Chicago — a 1984 conviction on extortion charges.

After the extortion convictions, Federal Judge Terence T. Evans sentenced the elder Balistrieri to 13 years in prison and sentenced Joseph and John Balistrieri each to eight years in prison.

Evans stayed the sentence of Joseph and John pending the resolution of their appeals. They are still free on bail.

Balistrieri's sons were not among the defendants in the sports bookmaking case, which was tried before a jury in Evans' court in 1983.

The bookmaking and extortion indictments were returned by a federal grand jury here on Oct. 1, 1981. They followed a lengthy investigation that included court-authorized wiretaps and a probe by two undercover FBI agents.

Frank B. Balistrieri

ATE NOVEMBER 13, 1985

UBLICATION THE MILWAUKEE JOURNAL

CIR FILE NUMBER OC-1

COMMENTS RECEIVED NOV 2 0 1985

NEWSPAPER CLIPPING
DJ-DCI-43 (Rev. 7/79)

WISCONSIN DEPARTMENT OF JUSTICE
DIVISION OF CRIMINAL INVESTIGATION

Glick exonerates Balistrieri brothers

By Caroline Rooney
Special to The Sentinel

Kansas City, Mo. — Former casino owner Allen Glick said Wednesday he did not consider Joseph P. and John J. Balistrieri among the "partners" he claims muscled in on his Las Vegas (Nev.) empire.

"You and your brother have never made any demands on me," he told Joseph Balistrieri under cross-examination in a federal courtroom.

"Do I consider you (the two brothers) as one of the partners that we're referring to here?" Glick asked. "My answer is no."

The brothers and their father, Frank P. Balistrieri, all of Milwaukee, are among eight defendants on trial for allegedly hiding the ownership of Glick's casinos and then skimming off nearly $2 million in profits.

Glick, who last week testified that Frank Balistrieri had threatened his life, Wednesday said the Balistrieri sons never had said Glick had any obligations to them.

Asked whether the brothers ever held a hidden interest in the casinos, Glick replied, "Not to my knowledge."

Joseph Balistrieri, an attorney, is representing himself. Throughout the trial, any questions he has asked or points he has made generally have included John, also an attorney.

Glick has testified his Argent Corp. received a $62.75 million loan from the Teamsters Union Central States Pension Fund through the influence of Frank Balistrieri, who ordered him to promote Frank Rosenthal to an executive post in Argent.

Under questioning, Glick said the two brothers never interfered with his authority at the Fremont and Stardust casinos and that Joseph Balistrieri, in fact, did not get along with Rosenthal.

The brothers wanted to lease space in one of the hotels for a confectionary store, but Rosenthal blocked the deal, Glick said.

Rosenthal also opposed Argent's using the Balistrieri brothers as two of a number of corporation attorneys, Glick said.

A major piece of evidence in the government's case is an option signed by Glick and the Balistrieri brothers in June 1974, giving them half of Argent for $30,000.

Glick has testified he believed he had to sign the option to get the Teamsters loan.

Glick said he thought the document had been destroyed, but it turned up in the Balistrieris' possession during an FBI raid in Milwaukee in 1980.

The government has argued that the Balistrieri brothers picked up half-interest in a major corporation for only $30,000, the price of the option.

Joseph Balistrieri asked Glick what the value of Argent was at the time the option was signed.

"It may have been a negative worth," Glick said. "At most, $50,000 to $60,000."

Then he added, "But it came to be worth millions."

Glick said he and the Balistrieri brothers had been friends and that he frequently turned to them for legal advice.

He said that, by April 1978, he did not believe Joseph and John Balistrieri had any further connection to Argent.

The trial was delayed for about an hour Wednesday morning after Frank Balistrieri complained of dizziness.

An emergency medical response team was sent to the courtroom to examine him, but Balistrieri later told Federal Judge Joseph E. Stevens Jr. he felt well enough to continue with the trial.

The incident occurred after Balistrieri was told the 7th US Circuit Court of Appeals had rejected his appeal on a 1983 bookmaking conviction. He is serving a 13-year federal term for extortion, gambling and tax evasion.

During cross-examination by Frank Balistrieri's attorney, Glenn Reynolds of Madison, Glick did not change his previous testimony of how he got his Teamsters loan and how Rosenthal allegedly took control of Argent with Balistrieri's backing.

However, Glick said he had no confrontations with Balistrieri, who was "always cordial."

He said he even had been invited to the wedding of Balistrieri's daughter, but he did not go because "I didn't want to attend."

DATE NOVEMBER 14, 1985

PUBLICATION MILWAUKEE SENTINEL

CIR FILE NUMBER OC-1

COMMENTS

RECEIVED NOV 20 1985

NEWSPAPER CLIPPING
DJ-DCI-43 (Rev. 7/79)

WISCONSIN DEPARTMENT OF JUSTICE
DIVISION OF CRIMINAL INVESTIGATION

Balistrieri made no threats, Glick testifies

Special to The Journal

Kansas City, Mo. — Former Las Vegas casino owner Allen Glick testified Wednesday that Milwaukee Mafia boss Frank P. Balistrieri never threatened him or demanded money from him during the five years he was involved in the Nevada gambling industry.

Glick also told a Federal Court jury that he never had "any confrontation" with Balistrieri. Earlier, the 43-year-old Glick had testified that he was victimized by mobsters who became his "partners" after he assumed ownership of the Stardust hotel and casino in Las Vegas in August 1974.

Under cross-examination by Glenn Reynolds, Frank Balistrieri's attorney, Glick repeated that he had sought Balistrieri's help in obtaining a $62.7 million Teamsters' pension fund loan for him to buy the Stardust.

Glick said he went to Balistrieri because he was told "he was the most influential person who could help me obtain the loan."

Balistrieri, 68, and his two sons, Joseph and John, both lawyers, are charged with five others in an alleged conspiracy to skim $2 milliom from the Stardust and hide their ownership of the casino.

However, defense attorneys have argued that Glick was a businessman who succeeded in making a huge profit during his five years as head of the Stardust and another casino.

During questioning by defense attorney Charles Shaffer, Glick also admitted that he personally profited by $70 million from the sale of the casino in 1979.

Joseph Balistrieri also questioned Glick for more than an hour about their business relationship between 1974 and 1977.

At one point, Glick said, "You and your brother have never made demands on me."

According to Glick, the brothers were hired at the suggestion of their father after the loan was negotiated from the pension fund. He said the two Balistrieris did all the legal work they were asked to do by him.

Glick also gave other details about an option agreement, dated June 15, 1974, with the Balistrieri brothers. The agreement called for the two to purchase 50% of the Stardust for $30,000.

But Glick claimed that he thought the option was voided by mutual agreement a week later. Glick said he had told Joseph that he, Glick, might have difficulty being licensed by Nevada gaming officials if there was additional ownership of his corporation. Glick noted that Joseph Balistrieri agreed with him and said he would destroy his copy of the option.

A copy of the agreement, however, was found in the safe of Frank Balistrieri after an FBI raid on March 5, 1980.

Glick claimed that the option was a normal business practice and indicated that there was nothing sinister about it.

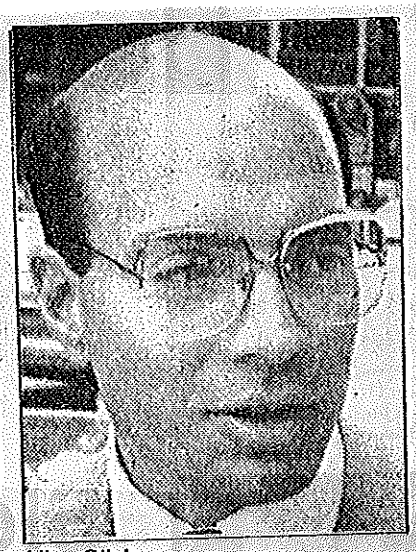
Prosecutors said earlier that the option was a key portion of their evidence showing that crime syndicate figures secretly owned the Stardust.

Glick's relationship with the Balistrieri law firm ended in 1975.

"I never paid any legal fees after that time and did not see you or your brother again until 1980," Glick told Joseph Balistrieri and the jury.

Dizzy spells suffered by Frank Balistrieri delayed the resumption of the trial Wednesday for two hours.

He later told Judge Joseph E. Stevens Jr. that he felt well enough for the trial to continue.



Allen Glick

ATE NOVEMBER 14, 1985

PUBLICATION THE MILWAUKEE JOURNAL

CIR FILE NUMBER OC-1

COMMENTS RECEIVED NOV 20 1985

NEWSPAPER CLIPPING
DJ-DCI-43 (Rev. 7/79)

WISCONSIN DEPARTMENT OF JUSTICE
DIVISION OF CRIMINAL INVESTIGATION

Jury hears first mention of organized crime family

Special to The Sentinel

Kansas City, Mo. — A federal jury Thursday heard the phrase "organized crime families" for the first time during a trial of alleged Mafia leaders, bringing protests from defense attorneys.

Among the eight men charged with conspiring to hide the ownership of Las Vegas (Nev.) casinos and then skimming $2 million in profits are Frank P. Balistrieri and his sons, Joseph P. and John J., of Milwaukee.

Throughout the trial, now in its eighth week, government attorneys and prosecution witnesses have avoided using the terms "organized crime" or Mafia, often substituting the words "a powerful organization."

The words "organized crime families," which surprised courtroom observers, were spoken by former casino owner Allen Glick, a prosecution witness.

The comment about organized crime came when Frank Oliver, attorney for Joseph Lombardo, of Chicago, asked Glick why he did not go to police after his life had been threatened in 1975 by the late Nick Civella, then the reputed mob leader in Kansas City.

"If I had reacted to their threats, I wouldn't be here today," Glick responded. "I would be dead. When organized crime families from various cities have threatened your life, you don't do anything, unless you don't value life."

Several other defense attorneys, visibly upset by the comments, immediately asked for a brief recess, which Federal Judge Joseph E. Stevens Jr. granted.

When they returned, defense attorneys asked Stevens to instruct the jury that Glick's comment was made in reference only to Lombardo. The judge told them to file a motion if they wished.

ATE NOVEMBER 15, 1985

UBLICATION MILWAUKEE SENTINEL

IR FILE NUMBER OC-1

COMMENTS RECEIVED NOV 2 0 1985

DJ-DCI-43 (Rev. 7/79)

(ISCONSIN DEPARTMENT OF (CE
DIVISION OF CRIMINAL INVESTIGATION

Court upholds convictions of 3 Balistrieris

By WALTER FEE
of The Journal staff

The Milwaukee extortion convictions of Frank P. Balistrieri and his two lawyer sons, Joseph P. and John J., were upheld Friday by the Federal Appeals Court in Chicago.

The appeals court upheld the jury convictions here in April 1984 of the three Balistrieris on two counts each of extortion in a case involving two undercover FBI agents who operated a dummy vending machine business in Milwaukee in 1978.

Federal Judge Terence T. Evans said in an interview Friday that he would contact Federal Judge Joseph Stevens in Kansas City to begin the process of setting dates

Joseph P. Balistrieri

John J. Balistrieri

for Joseph, 45, and John, 37, to begin serving their sentences.

The appeals court also affirmed the 13-year sentence that Evans imposed on Frank Balistrieri and the eight-year sentences that Evans imposed on both of Balistrieri's sons.

Earlier this month, the same court upheld the 1983 sports bookmaking conviction of Frank Balistrieri. His sons were not among the defendants in that case.

The three Balistrieris and five other reputed organized crime figures have been on trial in Kansas City for the past two months on charges that they used their influence to obtain Teamster union pension fund loans. They are accused of using the loans to become secret owners of Las Vegas casinos. They also have been accused of skimming nearly $2 million from casinos owned by the Ar-

Before the Kansas City trial began, Frank P. Balistrieri was serving his 13-year prison sentence May 30, 1984, in Lewisburg, Pa.

Federal Prosecutor John Franke said Friday that Evans had summed up the Balistrieri brothers' situation during sentencing July 1984.

He told Joseph and John that "their predicament lies with their father. . . . Joe and John got too close to their father," Franke said. "It's tragic that they did."

Franke added Friday that a decision about a son's relationship with his father "might be the hardest decision a person could ever make." But he said it was a decision both sons had to make.

Franke said that when he took the assignment of prosecuting the Balistrieris in 1981, many people had told him that Frank Balistrieri would "not go to jail — or if he does, he won't stay there." Franke said recent convictions all over the country show that organized crime bosses no longer are immune from jail sentences.

The appeals decision was written by Appeals Court Judge William Bauer. Senior Judge Luther Swygert and Judge Jesse Eschbach also were on the panel.

DATE NOVEMBER 22, 1985

PUBLICATION THE MILWAUKEE JOURNAL

DCIR FILE NUMBER OC-1

COMMENTS

DJ-DCI-43 (Rev. 7/79)

(ISCONSIN DEPARTMENT OF J CE
DIVISION OF CRIMINAL INVESTIGATION

Balistrieris got money skimmed from Las Vegas casinos, Cleveland mobster testifies

Kansas City, Mo. —AP— A self-described mobster from Cleveland testified Friday that organized crime families in Milwaukee, Chicago and Kansas City received money skimmed from Las Vegas casinos.

Angelo Lonardo also testified that he began getting $10,000 a month in skim money when he became a leader in the Cleveland organized crime family.

He was testifying in the trial of eight men charged by the federal government with conspiring to skim money from Las Vegas casinos.

Lonardo said he became the third-highest figure in the Cleveland family in 1976.

Lonardo, who attorneys said was the highest-ranking crime figure ever to testify for the government, said he and his associates split an average of $40,000 to $60,000 monthly in money skimmed from the Stardust and Fremont casinos in Las Vegas between 1974 and 1983.

Lonardo said he had been told by Milton Rockman, his brother-in-law, that skim money was shared by Cleveland, Kansas City, and Milwaukee.

"He [Rockman] told me about Glick talking to Frank Balistrieri," the organized crime leader in Milwaukee. "He said Frank Balistrieri knew Frank Ranney very well. He said that Frank Balistrieri would talk to Nick Civella, that Nick Civella was very friendly with Roy Williams. That he would talk to Nick Civella to see if anyone from Cleveland could talk to Bill Presser."

Ranney, formerly of Milwaukee, Williams and Presser were all trustees of the Teamsters Central States Pension Fund, which lent $62.75 million to Allen Glick.

Chicago crime leaders later began taking a 25% share after mediating a dispute between Civella and Balistrieri, according to Lonardo.

"It was over the skim," he said. "Somebody was getting shorted."

Lonardo, 74, testified under an agreement with the government in which a life prison sentence without possibility of parole was dismissed. He also has been given the opportunity to appear immediately before a parole board on a 103-year prison sentence. Both sentences came after narcotics convictions in Cleveland.

DATE NOVEMBER 23, 1985

PUBLICATION THE MILWAUKEE JOURNAL

DCIR FILE NUMBER OC-1

COMMENTS

DJ-DCI-43 (Rev. 7/79)

WISCONSIN DEPARTMENT OF JUSTICE
DIVISION OF CRIMINAL INVESTIGATION

Ex-Mafia-boss says families split skim money

Special to The Sentinel and Los Angeles Times special

Kansas City, Mo. — Organized crime families in Milwaukee, Kansas City, Cleveland and eventually Chicago split skim money from casinos purchased with loans from a Teamsters Union pension fund, the highest-ranking Mafia leader ever to turn government witness testified Friday.

Angelo Lonardo, 74, testified for three hours Friday, receiving cold stares from defendants in the 2-month-old skimming trial of eight alleged organized crime officials. Prosecutors called the staring a silent attempt to rattle Lonardo.

Frank P. Balistrieri, 67, of Milwaukee, is among the defendants in the trial.

Lonardo, the star prosecution witness, wore tinted glasses and had a deep tan, unusual for a man who has been in the custody of the FBI for two years.

Lonardo was convicted in 1983 in a narcotics conspiracy case and was sentenced to life without parole, plus 103 years in prison. He testified Friday under an agreement with the Justice Department.

Lonardo said that in 1976, when he became underboss of the Cleveland group, he was briefed by Milton Rockman on how crime bosses had used their influence with Teamster officials to gain approval of $62.7 million in loans from the pension fund.

Rockman, Lonardo's brother-in-law, is among the eight defendants charged by the government with conspiring to gain hidden control of Allen Glick's Argent Corp., then skimming $2 million from its casinos, the Stardust and Fremont.

Lonardo said he was told that "Milwaukee shared in the skim because Frank Balistrieri was connected with union trustee Frank Ranney" and had used that connection to help Glick get the loans.

Balistrieri had told Glick he would ask Nick Civella, a Kansas City crime boss, to use his influence with Teamster official William Presser to help push the loans through, Lonardo said.

In return for his assistance in getting the loans approved, Presser received a monthly payment of $1,500, Lonardo said. He said former Teamsters President Roy L. Williams also received a $1,500 monthly payment.

Lonardo said Rockman had told him there was some dispute among the crime families receiving the skimmed money, and that Balistrieri had gone to Joseph Aiuppa and Jackie Cerone, Chicago crime bosses, to resolve the dispute. After that, Lonardo said, Chicago received 25% of the skimmed money each month.

Under the structure of the crime organization, Milwaukee and Kansas City report to Chicago and Cleveland reports to New York, Lonardo said.

Aiuppa, 77, and Cerone, 71, also are defendants in the case.

Lonardo said while he was in Lewisburg Penitentiary in Pennsylvania with Balistrieri, Balistrieri had complained to him about the obsessive record keeping of Carl DeLuna, another crime boss involved in the skim operation.

Lonardo said DeLuna kept records of every personal expense involved in operating the scheme and would later ask for a larger share of the skim money because of those expenses.

"Frank said, 'How cheap could they be, to mark down a $10 expense to call me,' " Lonardo said.

DeLuna's records reportedly helped authorities identify those involved in the skim operation.

In other developments Friday, the US Court of Appeals in Chicago upheld the 1984 extortion convictions of Balistrieri, and his two lawyer sons, John J., 45, and Joseph P., 37.

The younger Balistrieris also are defendants in the Kansas City trial.

DATE NOVEMBER 23, 1985

PUBLICATION MILWAUKEE SENTINEL

DCIR FILE NUMBER OC-1

COMMENTS

NEWSPAPER CLIPPING
DJ-DCI-43 (Rev. 7/79)

WISCONSIN DEPARTMENT OF JUSTICE
DIVISION OF CRIMINAL INVESTIGATION

US will grant immunity to convict in skimming case

Special to The Sentinel

Kansas City, Mo. — The government will drop charges against one of nine men accused of skimming gambling profits from the Stardust casino in Las Vegas and grant him immunity in exchange for his testimony in the case under an agreement approved by a federal judge Wednesday.

Carl Thomas, 53, who was convicted in 1983 of skimming funds from the Tropicana casino in Las Vegas, was severed from the trial in August.

Among the alleged organized crime figures charged with conspiring to steal $2 million from Argent Corp. casinos are Frank P. Balistrieri and his sons, John and Joseph. Frank Balistrieri has been identified in FBI documents as the leader of organized crime in Milwaukee.

The government has portrayed Thomas, of Las Vegas, as an expert in casino gaming techniques and the mastermind who worked out technical details of the Tropicana skimming in the late 1970s, when it was owned by Mitzi Briggs and Deil Gustafson. Thomas allegedly worked out details of the Stardust skimming as well.

Thomas, who has served eight months of a 15-year term in the Tropicana case, faced the same eight charges as the other eight defendants now on trial. He was one of five men convicted in the Tropicana case.

For the past month, he has been at the US Penitentiary at Leavenworth, Kan., on the Tropicana conviction. He had been at a federal prison in Arizona.

Federal prosecutor David B.B. Helfrey said during a hearing on the government's motion to compel Thomas to testify that Thomas had so far refused to provide information, based on his constitutional right not to incriminate himself.

Thomas' attorney, David Russell, argued that forcing Thomas to testify now, during the skimming phase of the trial, would be a violation not only of Thomas' First Amendment rights, but also of his Sixth Amendment right to a fair trial.

The First Amendment guarantees freedom of the press, speech and religion.

Helfrey said it was in the public interest to compel Thomas to testify.

Federal Judge Joseph Stevens Jr. recessed the hearing and the two attorneys met briefly in private. When the hearing was resumed, Helfrey informed the court of the government's offer.

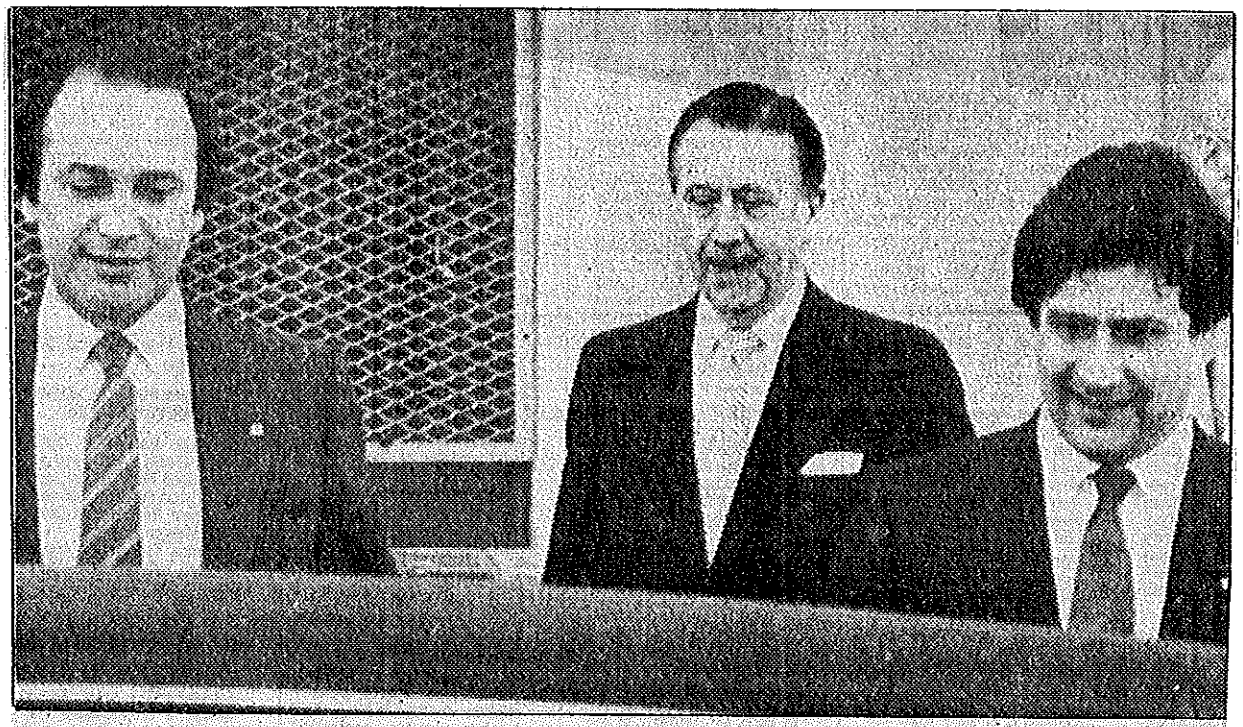
Stevens said it was his responsibility to agree to the government's request to compel Thomas' testimony.

The motion was a rare move and required the approval of a staff member in the US attorney general's office before it was filed.

Thomas is expected to be called to testify by the prosecution within the next two weeks. He now must either testify or face the possibility of contempt charges.

The trial was adjourned Tuesday for the Thanksgiving holiday. It is scheduled to resume Monday.

DATE 11-28-85
PUBLICATION MILWAUKEE SENTINEL
DCIR FILE NUMBER OC-1
COMMENTS RECEIVED DEC 4 1985



Frank P. Balistrieri and sons, Joseph (left) and John, in Kansas City, Mo., in 1983

FBI bugged office of Balistrieri

RECEIVED DEC 2 3 1985

DJ-DCI-43 (Rev. 7/79)

(ISCONSIN DEPARTMENT OF (ICE
DIVISION OF CRIMINAL INVESTIGATION

Sons angry at Balistrieri, tapes reveal

$200,000 seized by FBI from office safe was cause of dispute, wiretaps indicate

Special to The Journal

Kansas City, Mo. — The two sons of Milwaukee crime boss Frank P. Balistrieri were angry at their father for hiding $200,000 that was subsequently seized by the FBI in a raid at the family's Shorecrest hotel, according to wiretaps played Monday for a federal court jury here.

After the raid in March 1980 in Frank Balistrieri's office at The Shorecrest, 1962 N. Prospect Ave., federal prosecutors charged that the cash was part of the money skimmed from a Las Vegas casino.

"Instead of having all that cash lying around, we could have made investments, put it in places instead of having it in a safe," Joseph Balistrieri is heard telling his father March 5, 1980.

"There were a lot of things we could have done."

Unknown to the Balistrieris, the FBI had bugged the offices of the hotel and listened as Joseph and John, both lawyers, and their father discussed the FBI raid and its implications.

"I thought that [the $200,000] was my security kit. If something came up, it was there. We just left it there too long and now we blew it, that's all."

— Frank Balistrieri

"I thought that [the $200,000] was my security kit," Frank Balistrieri said. "If something came up, it was there. We just left it there too long and now we blew it, that's all."

The tapes are the strongest evidence so far in the government's case against the Balistrieris.

They are on trial with five reputed organized crime figures charged with stealing $2 million in profits from the Stardust Casino in Las Vegas. Government prosecutors also contend that the eight conspired to conceal their ownership of the gambling resort.

Several portions of the wiretaps were played at an earlier trial in Milwaukee when the Balistrieris were convicted of extortion charges.

Much of the conversation dealing with the money and Las Vegas was saved for the Stardust trial, which completed its 50th day Monday. Prosecutors are expected to rest their case late this week.

At one point, Frank Balistrieri is heard on the wiretap telling his sons that "they're gonna have to prove it [the money] came from the skim."

Earlier, before their father arrives in the office, John tells his brother that he was "sick to his stomach" upon learning the $200,000 in his father's safe had been confiscated.

"Because he's gotta be so ... greedy," Joseph Balistrieri responds. "That $200,000 should have been in a bank account. Now they're going to get it."

On a wiretap overheard March 10, 1980, Joseph again complains about his father.

"I'm paying my bills regularly and he never once comes across with a nickel, not even a pretzel, but he's sitting on $200,000," Joseph said.

Another tape recorded discussion centered on an announcement by the US attorney's office that the money reportedly was tied to the casino skimming.

Frank Balistrieri voiced his concern about the announcement, saying:

"I know they're trying to tie me in it. This is the most serious part ... this conspiracy part."

On April 28, 1980, the tape picks up Joseph telling his father and brother that the government is trying to find "influxes of cash" to the Balistrieris.

"They want someone to say we skim, but we live like monks," Joseph said. "In order for them to establish it is skimming money, they gotta show it came from a casino."

Frank Balistrieri then says, "Well, that might not be so hard."

But Joseph disagrees and says the government would need to prove its case by obtaining testimony from the people who skimmed the money from the casino and "who turned it over to you."

In a discussion about accounting for the money to the IRS, Joseph tells his father to "show you made it in fees ... gambling and a couple of cash deals."

He then adds, "So you get it illegally? As long as you report it and pay taxes."

Joseph then notes that the raid and its subsequent publicity will "take us another two, three years to cover things up again because we operate pretty good."

DATE DECEMBER 17, 1985

PUBLICATION THE MILWAUKEE JOURNAL

DCIR FILE NUMBER OC-

COMMENTS RECEIVED DEC 23 1985

Tapes indicate Balistrieri was concerned

Frank: "We had enough warnings to clean up our act."

Joseph: "Instead of having all that money laying around we could have made investments."

Frank: "I thought that money was my security kit. . . . They're going to have to prove it came from the skim."

Joseph: "It's our money. It was earned during 1979 and I haven't yet filed my 1979 tax returns."

On March 10, 1980, Joseph, John, and their mother, Antonina, had the following conversation at the Shorecrest, according to the government tapes:

Joseph: "We're in big trouble, no doubt about that. I ain't got no money and we're going busted. He had $200,000 sitting over there, that's disgusting."

Antonina:"We can't abandon him now."

Several weeks later, on April 28, 1980, in a taped conversation among John, Joseph and Frank Balistrieri at the Shorecrest, Joseph said he believed the family was the object of a vendetta by the head of the federal strike force. Joseph Balistrieri also said the government would have more trouble proving a case than filing an indictment, and that the Balistrieris had not been lavish spenders.

Joseph: "What they really want to do is tie us in to Kansas City's thing. They got nobody on the phone, they got nobody coming out dropping out money to us. An indictment is one thing and putting it to proof is an entirely different thing.

"In the last five years, I've been off the street, and John's been off the street. We don't cabaret, we don't splash money around and we don't get out of line in public"

John: "We barely even go out."

Joseph: "They're looking for skimming money. They're beating their brains out for skim money."

Frank: "Those guys in Kansas City, they got them conspiring to do it."

Joseph: "The only thing I object to is they (the FBI) got a pretty good fix on us. It's going to take us another two or three years to cover things up again because you know we operate pretty good, but we don't — none of us go out and you know, not one of us can brag about what we do, what we got, not one of us, we're not that kind of people."

John: "Look, we live in nice places, we drive nice cars."

Joseph: "And we keep to ourselves."

The conversation in which Joseph and Frank Balistrieri worried about possible testimony by others occurred Nov. 7, 1979, at Snug's restaurant in the Shorecrest, according to the government tape.

The tape indicates that the Balistrieris discussed a grand jury investigation, with Frank Balistrieri at one point saying the government might try to prosecute them for perjury, then adding, "They might have pictures, but I don't think they could have any witnesses. We were very careful about nobody ever seeing us."

Joseph: "Yeah, or some high-placed informant it looks like."

Frank: "No, can't be an informant."

Joseph: "Is the grand jury serious?"

Frank: "Well, serious to the extent they're not looking at gambling. They're looking to nail me. The thing that bothers me is that West Coast thing. They're trying to get permission to have one of them Senate racket committees and then they expose me.

"That thing in San Diego, somebody fingered me. . . . They want to show that we're not low key and the concentration's really in Chicago. That is serious, and Kansas City, takin' it to the old man all the time."

Joseph: "Nick had to talk about you, he had to."

Frank: "We gotta be very careful so we don't make any mistakes at this point. He'll get desperate, because they'll promise him the world."

Joseph: "Maniaci?"

Frank: "Yeah."

Joseph: "He's been out of town three years. . . . It could have been Rosenthal. Rosenthal could be a pack of worms."

Later in the conversation, Frank Balistrieri said: "We are the informants because we get lax. See, they got voice-o-graphs, we go on the telephone — they're gonnna have a Senate rackets committee hearing. And I will be the prime suspect."

RECEIVED DEC 2 3 1985

DCI-43 (Rev. 7/79)

(ISCONSIN DEPARTMENT OF (CE
DIVISION OF CRIMINAL INVESTIGATION

Balistrieri worried about confiscated $200,000, tapes indicate

Special to The Sentinel

Kansas City, Mo. — Frank P. Balistrieri worried that federal agents would try to use $200,000 confiscated from a safe at the Shorecrest Hotel in Milwaukee to tie Balistrieri to skimming from Las Vegas casinos, tape recordings introduced at a federal trial here Monday indicate.

The tapes also indicate that Balistrieri's oldest son, Joseph, was concerned during the March 5, 1980, FBI raid about a document in the hotel safe, an option agreement with former casino owner Allen Glick to buy a half-interest in his Argent Corp. for $30,000.

Later, Joseph Balistrieri said federal authorities had nothing against the Balistrieris but the fact that they had a lot of cash and an agreement with Glick that was worthless, according to the tape.

The Balistrieris and Frank's other son, John, are among eight defendants on trial for allegedly hiding ownership in Glick's casinos and then skimming off nearly $2 million in profits.

The tape recordings introduced Monday also indicate that Frank and Joseph Balistrieri worried about possible testimony by "Maniaci" and "Rosenthal," apparent references to Vincent Maniaci and Frank Rosenthal.

Maniaci was the brother of August Maniaci, who was murdered in 1975. Two years later, a mechanic found 20 sticks of dynamite tied to TNT in Vincent Maniaci's car. Rosenthal was promoted to an executive post in Argent Corp. on Frank Balistrieri's orders, Glick has testified.

A tape the government said was recorded at the Shorecrest March 5, 1980, the day of the FBI raid, included the following passage:

Joseph: "The guy (FBI) just said it (the raid) is tied to skimming."

Frank: "Uh-huh, I know they're trying to tie it in, that's the most serious part."

Joseph: "What?"

Frank: "This conspiracy part."

Later in the conversation, Joseph expressed concern about the Argent option agreement in the hotel safe, the tape indicates.

Glick has testified in the Kansas City trial that he felt he had to sign the option to obtain a $62.75 million loan from the Teamsters Central States Pension Fund to buy the Stardust and Fremont casinos. Glick owned the casinos through the Argent Corp.

Later in the Kansas City trial, Glick testified that he believed the option had been voided.

In the 1980 taped conversation, Joseph Balistrieri continued:

"You got $200,000 in cash but is that illegal?"

John: "No, it's not."

Joseph: "You haven't filed the '79 taxes yet?"

Frank: "Where did you show 'em you made it?"

Joseph: "Fees, not only fees, I made it gambling. As long as I pay taxes on it."

Joseph: "There's only one guy can say anything bad about us, two guys actually, the crazy man and the genius." (The government maintains that "the crazy man" is Rosenthal and the "genius" is Glick.)

Joseph: "I never took any money from Glick. They don't have us issuing orders. They don't have us interfering with the managers of any hotels in Las Vegas. They don't have us making book. They don't have us selling any dope. They have us with a lot of cash and they have us with documents relating to a personal friend of mine, Allen Glick — and it wasn't worth anything. Argent wasn't worth (expletive).

John: "And they got all our work books and records."

The tape then indicates that the Balistrieri sons talked with their father about the wisdom of leaving $200,000 in the safe, and continues:

DATE DECEMBER 17, 1985

PUBLICATION MILWAUKEE SENTINEL

DCIR FILE NUMBER OC-1

COMMENTS RECEIVED DEC 23 1985

Presser to be called for trial

Kansas City, Mo. —AP— A defense attorney in the Argent Corp. skimming trial says Teamsters Union President Jackie Presser will be subpoenaed to testify next month in the case.

Eight defendants, including Milwaukee Mafia boss Frank P. Balistrieri, 68, and his two lawyer sons, Joseph P., 45, and John, 37, are charged with conspiring to gain illegal control of Argent Corp. and with skimming $2 million in gambling receipts from the company's Las Vegas casinos.

Defense attorneys have accused federal lawyers of protecting Presser and keeping from the jury information that could be significant to the defendants.

"Specifically, we expect Presser to refute the testimony of Angelo Lonardo," said Joseph DiNatale, an attorney for reputed Chicago crime boss John Cerone.

Lonardo, a former reputed Cleveland crime figure who agreed to testify for the prosecution in exchange for having his prison sentences reduced, testified that crime leaders from Chicago and Cleveland met in 1983 to select Presser as the successor to Roy L. Williams.

Williams, who testified earlier in the trial, resigned as president of the union after his conviction in December 1982 for attempting to bribe a US senator. He is serving a 10-year prison term.

Allen R. Glick testified earlier that he received $87 million in loans to establish the Argent Corp. through the influence of Frank Balistrieri and reputed Kansas City crime boss Nick Civela, who died in 1983.

DATE DECEMBER 16, 1985

PUBLICATION THE MILWAUKEE JOURNAL

DCIR FILE NUMBER OC-1

COMMENTS

RECEIVED DEC 27 1985

DJ-DCI-43 (Rev. 7/79)

(WISCONSIN DEPARTMENT OF (STICE
DIVISION OF CRIMINAL INVESTIGATION

Presser is issued subpoena in casino trial

Special to The Sentinel

Kansas City, Mo. — A subpoena for the appearance of Teamsters President Jackie Presser has been issued by defense attorneys in the Argent Corp. casino-skimming trial, in which reputed Milwaukee organized crime leader Frank Balistrieri is a defendant.

Joseph DiNatale, an attorney for reputed Chicago crime boss John Cerone, confirmed that a subpoena has been drawn and process servers employed to serve the document on Presser.

The subpoena calls for Presser's appearance as a defense witness in early January, DiNatale said.

"We have been in contact with his lawyers in an effort to have him testify," he said.

In the trial, eight reputed organized crime leaders in Chicago, Milwaukee and Cleveland are accused of skimming $2 million in gambling receipts from Argent's Las Vegas casinos.

Defense attorneys have complained the government has not made available information it has about Presser that might have a bearing on the trial.

At a heated discussion during a recess in the trial two weeks ago, defense attorneys accused federal lawyers of protecting Presser, thereby keeping from the jury information that could be significant to the defendants. At that time, they threatened to have Presser subpoenaed if the information was not made available to them.

"Specifically, we expect Presser to refute the testimony of Angelo Lonardo," DiNatale said.

Lonardo, a former Cleveland crime czar who agreed to testify for the prosecution in exchange for having his prison sentences reduced, testified that crime leaders from Chicago and Cleveland met in 1983 to select Presser as the successor to Roy L. Williams.

Williams resigned as president of the huge union after his conviction in December 1982 for trying to bribe a US senator. He is serving a 10-year prison term.

Lonardo said he and Milton Rockman met in Chicago with Cerone and Joseph Aiuppa, alleged Chicago crime leader, to seek support for Presser.

At first, he said, the Chicago men were reluctant to support Presser, but after Rockman assured them he "could handle" Presser, they agreed to back him. Presser was elevated to the presidency in the spring of 1983.

"We expect Presser to say he did not know Mr. Aiuppa or Mr. Cerone, that he never met them, and that they had nothing to do with him becoming president of the Teamsters Union," DiNatale said.

Both Chicago men, along with Rockman, are among the defendants in the trial. Rockman and Lonardo are brothers-in-law, and both were acquainted with Presser's father, the late William Presser, a former union pension fund trustee.

The Pressers were from Cleveland.

DATE DECEMBER 16, 1985

PUBLICATION MILWAUKEE SENTINEL

DCIR FILE NUMBER OC-1

COMMENTS RECEIVED DEC 27 1985

NEWSPAPER CLIPPING
DJ-DCI-43 (Rev. 7/79)

WISCONSIN DEPARTMENT OF JUSTICE
DIVISION OF CRIMINAL INVESTIGATION

Mistrial set in Edwards' fraud case

From Sentinel wire services

New Orleans, La. — A federal judge Wednesday declared a mistrial in the racketeering and fraud trial of Gov. Edwin Edwards and four co-defendants, dismissing deadlocked jurors who had overwhelmingly favored acquittal.

"How sweet it is!" Edwards told his cheering supporters, and he announced he would seek a fourth term in 1987.

US Atty. John Volz refused to say whether he would bring the case to trial a second time, but said the jury's votes showed it "apparently content with the type of activity that's been shown to them.

"There was not much dispute about the facts in this case," he said. "Apparently the people of this state aren't ready to change what is going on."

The Democratic governor; his brother, Marion; and three business associates were accused of using the governor's influence to get state hospital and nursing home permits and then selling them for $10 million.

The 3-month-old trial ended when Judge Marcel Livaudais said the jury that had deliberated for a week told him there were no prospects for a verdict unless it reviewed mounds of testimony.

Livaudais said jurors wanted to see too much and that he had been presented with a motion for a mistrial.

"I will grant that motion," he said.

Among the items jurors had asked to see were the governor's three days of trial testimony, testimony of 10 other people and tapes of news conferences in which the governor gave conflicting statements about his role in the alleged hospital scheme.

Jurors had asked for grand jury transcripts Tuesday, and Livaudais turned them down under court policy that generally prohibits deliberating jurors from seeing grand jury testimony not introduced as trial evidence.

"There was no basis for this indictment, and the results today confirm that," Edwards told a news conference packed with supporters.

He said the government had wasted 16 months and millions of dollars to bring him and the others to trial.

"I have just won the 16th and most important election of my life and by the greatest majority ever," said Edwards, who was the nation's sixth incumbent governor to be indicted in this century.

He said he was not surprised that one of the 12 jurors voted against him, but that the person "made a mistake."

Volz said the jury was leaning 11-1 in favor of a not guilty verdict on many counts and 10-2 in favor of not guilty on many others involving the governor. Defense attorneys said 9 to 11 jurors were in favor of acquitting the four other defendants in the case.

Edwards and the others were accused of violating the conspiracy section of the federal Racketeer Influenced Corrupt Organizations Act. Each also faced multiple counts of mail and wire fraud.

Livaudais told the court that the jury's acquittal of Marion Edwards on 41 counts of mail and wire fraud earlier this week would stand.

Three other defendants, including the governor's nephew, Charles Isbell, were declared not guilty by the judge before the case went to the jury.

DATE DECEMBER 19, 1985

PUBLICATION MILWAUKEE SENTINEL

DCIR FILE NUMBER OC-1

COMMENTS ~~RECEIVED JAN 2 7 1986~~

NEWSPAPER CLIPPING
DJ-DCI-43 (Rev. 7/79)

WISCONSIN DEPARTMENT OF JUSTICE
DIVISION OF CRIMINAL INVESTIGATION

Frank P. Balistrieri pleads guilty

Given 10-year sentence in skimming from casinos

By Michele Derus

Frank P. Balistrieri, alleged boss of organized crime in Milwaukee, pleaded guilty in Kansas City, Mo., Tuesday to federal conspiracy and racketeering charges in connection with the skimming of nearly $2 million in profits from Las Vegas casinos.

Balistrieri, 67, changed his plea in a special appearance before Judge Joseph E. Stevens Jr., who immediately sentenced him to 10 years in prison and fined him $20,000, Michael Kortan, spokesman for the Kansas City FBI office, said in a telephone interview.

The sentence, 5 years on each count, is to be served concurrently with a 13-year sentence Balistrieri is serving on extortion, gambling and tax charges from 1984 convictions in Milwaukee.

Kortan said Balistrieri, who has been held without bail as a public safety risk since April 1984, will remain incarcerated in Kansas City until receiving a new federal prison assignment.

In return for Balistrieri's guilty plea, the government is dropping six related charges against him.

Balistrieri's decision to admit guilt came during a break in the three-month trial that has featured testimony about a Mafia takeover of casinos from the Argent Corp. headed by Allen R. Glick.

The prosecution also introduced tape recordings of conversations among the defendants picked up by telephone wiretaps and electronic bugging devices.

The plea bargain apparently does not affect Balistrieri's lawyer sons, Joseph P., 45, and John J., 37. The trial, which adjourned last week for the holidays, is to resume Thursday for the Balistrieri sons and five other men.

Frank Balistrieri's attorney, Glenn Reynolds, could not be reached for comment late Tuesday.

In opening arguments at the skimming trial, Reynolds said his client had fought the Milwaukee charges in hopes that "at the end of his life, he will be out of prison."

Balistrieri tried unsuccessfully to reach a plea bargain in the Milwaukee case that would have included the dismissal of charges against his sons.

John and Joseph Balistrieri were convicted with their father on extortion charges in connection with the takeover of a Milwaukee vending machine business. They lost their appeals last month and are to begin serving eight-year prison terms.

Balistrieri is the fifth defendant to plead guilty in the case, which involves the alleged skimming of untaxed casino proceeds from the Argent Corp. by reputed underworld figures from Chicago, Milwaukee, Kansas City, Cleveland, Las Vegas

Frank P. Balistrieri

DATE JANUARY 1, 1986

PUBLICATION MILWAUKEE SENTINEL

DCIR FILE NUMBER OC-1

COMMENTS RECEIVED JAN 6 1986

and Kansas City. Argent controlled, at various times, the Stardust, Fremont, Hacienda and Marina casinos in Las Vegas.

The prosecution charged that Balistrieri helped arrange a $62.75 million loan for Glick to purchase the Stardust and Fremont casinos and that he then directed Glick to sign papers giving Joseph and John Balistrieri a half-interest in Argent for $30,000.

Mob figures quickly moved in, assuming hidden control of the casinos and demanding an unreported cut of the profits, the prosecution alleged.

Glick, a key government witness, testified that when he balked at following mob orders in fall 1984, casino executive Frank Rosenthal told him, "If you interfere with what we're doing here, you'll never leave this corporation alive."

Glick testified that he reported the incident to Frank Balistrieri, who warned him to comply. Balistrieri sounded a sterner warning in April 1976, according to Glick. He said Balistrieri told him he would be killed if he continued to cause trouble over how his four Las Vegas casinos were operated.

Those who have pleaded guilty in the skimming case are: Anthony Chiavola Sr., 67, of Chicago; his son, Anthony Jr., 37, also of Chicago; Carl J. Civella, 75, of Kansas City; and Peter Joseph Tamburello, 53, of Kansas City.

Carl Angelo DeLuna, 58, of Kansas City, was dropped as a trial defendant for reasons that have not been explained.

Besides the Balistrieri sons, those still on trial are Milton Rockman, 73, of Cleveland, and four Chicago men, John Phillip Cerone, 71; Joseph Lombardo, 56; Angelo LaPietra, 60; and Joseph John Aiuppa, 78.

To be tried later are Carl W. Thomas, 53, and Anthony J. Spilotro, 47, both of Las Vegas.

DJ-DCI-43 (Rev. 7/79)

WISCONSIN DEPARTMENT OF JUSTICE
DIVISION OF CRIMINAL INVESTIGATION

Failing health a factor in Balistrieri's plea

The failing health of Frank P. Balistrieri, reputed boss of organized crime in Milwaukee, was a factor in his guilty plea in Kansas City to charges of skimming gambling receipts, officials said Thursday.

"He's dying," chief prosecutor David B.B. Helfrey said. "He's ill."

Balistrieri, 67, already serving a 13-year sentence for a 1984 conviction in Milwaukee on extortion charges, received the maximum 10-year sentence and a $20,000 fine after pleading guilty Tuesday to two charges. Six other charges were dropped.

Under the plea agreement, the sentence will run concurrently with the Milwaukee sentence.

Helfrey, head of the federal Organized Crime Strike Force in Kansas City, said the government would have asked for Balistrieri's removal from the trial if no plea agreement had been reached.

He told Federal Judge Joseph E. Stevens Jr. at Tuesday's hearing:

"It's my general feeling that a defendant who sat there this long ought to have his guilt or innocence decided by the jury. But his health precluded that in Mr. Balistrieri's case."

Defense lawyer David W. Russell said Balistrieri's health had been failing.

"He has been passing large quantities of blood," Russell said. "He requires frequent transfusions. He has been examined by three specialists, and we have three opinions ranging from an ulcer to cancer."

Officials said Balistrieri was at the medical center for federal prisoners at Springfield, Mo., for treatment and exploratory surgery.

John Franke, head of the Organized Crime Strike Force office in Milwaukee, said the government had to decide between the possibility of trying Balistrieri separately at a later date, if his health improved, or accepting the guilty plea.

Given the choices, the government got the best it could have hoped for, Franke said.

"There is something valuable in a guilty plea itself," Franke said, explaining that it lent credence to the existence of such criminal actvity.

The trial was set to resume Friday.

Frank P. Balistrieri

Balistrieri and his two sons, Joseph and John, were among eight men accused of skimming $2 million in profits from the Stardust Casino in Nevada and concealing their ownership of the casino.

Helfrey said the plea agreement did not affect Balistrieri's sons.

A total of 15 people were charged in the case. With Balistrieri's plea, eight of the defendants have entered guilty pleas and no longer are on trial.

DATE JANUARY 2, 1986

PUBLICATION THE MILWAUKEE JOURNAL

DCIR FILE NUMBER OC-1

COMMENTS RECEIVED JAN 9 1986

NEWSPAPER CLIPPING
DJ-DCI-43 (Rev. 7/79)

WISCONSIN DEPARTMENT OF JUSTICE
DIVISION OF CRIMINAL INVESTIGATION

Balistrieri's guilty plea reinforces allegations

The guilty plea entered by Frank P. Balistrieri to federal conspiracy and racketeering charges apparently did not earn him any extra prison time.

But it did reinforce the strong belief that organized crime has had a foothold in Milwaukee, and Balistrieri, by admitting his guilt, in effect corroborated what has been alleged for years.

Convicted in 1984 on extortion, gambling and tax charges in Milwaukee — convictions which earned him a 13-year prison sentence — Balistrieri suddenly changed his plea from not guilty to guilty in his Kansas City trial, held in connection with the skimming of nearly $2 million in profits from Las Vegas casinos.

For the Kansas City convictions, he will serve a 10-year term concurrently with his other sentence. During the Kansas City trial, testimony was given about a Mafia takeover of casinos. And with his plea, Balistrieri became the fifth defendant to plead guilty in the case.

Balistrieri's two sons, Joseph P. and John J., are also on trial in Kansas City, having been convicted in Milwaukee earlier, along with their father, on extortion charges in connection with the takeover of a Milwaukee vending machine business.

They face eight-year prison terms on those convictions.

Organized crime in America and Milwaukee has long been the topic of federal action. Unfortunately, totally uprooting it does not seem within the power of the law.

But through thorough investigation, it has made a dent. And that is something.

RECEIVED JAN 27 1986

DATE JANUARY 3, 1986

PUBLICATION MILWAUKEE SENTINEL

DCI FILE NUMBER OC-1

COMMENTS

DJ-DCI-43 (Rev. 7/79)

WISCONSIN DEPARTMENT OF JUSTICE
DIVISION OF CRIMINAL INVESTIGATION

Views vary on illness of Frank Balistrieri

By Michele Derus

Frank P. Balistrieri "is not likely to live through" his 13-year prison sentence for extortion and gambling, federal prosecutor John Franke said Thursday.

But Balistrieri attorney Glenn Reynolds said this grim prognosis for Milwaukee's alleged organized crime boss "is going a little too far."

Reynolds said Balistrieri had been hospitalized and needed blood transfusions, but said his client's condition did not appear to be life-threatening.

Franke, head of the Organized Crime Strike Force in Milwaukee, said Thursday that Balistrieri's health problems prompted the bargain involved in Balistrieri's guilty plea Tuesday in Kansas City, Mo., to conspiracy and racketeering charges.

Balistrieri, 67, was hospitalized New Year's Eve at the US Medical Center for Federal Prisoners in Springfield, Mo.

"At the time, he needed several blood transfusions," Reynolds said in an interview.

"His blood count was way down and he had bleeding in the upper intestinal tract."

Tests were continuing Thursday and Reynolds said a diagnosis was expected within a few days.

"There is a question whether he can withstand X number of years in prison," Reynolds said. "But it's going a little too far to say he won't make it through his prison term. No one knows that."

Balistrieri is suffering from arthritis and has had abnormal readings on electrocardiogram tests, besides the bleeding problem, Reynolds said.

Reynolds said his client's health problems were aggravated by eight months in solitary confinement. "They said he posed an escape risk," Reynolds said.

The medical center confirmed Thursday that Balistrieri was a patient, but a spokesman said patient condition was not disclosed.

"He had internal bleeding and other problems that were bad enough that he probably couldn't get through the trial" in Kansas City, Franke said.

In return for Balistrieri's guilty plea, the government dropped six other charges related to the skimming of nearly $2 million in untaxed profits from Las Vegas casinos.

Judge Joseph E. Stevens Jr. sentenced Balistrieri to 10 years in prison, to be served concurrently with the 13-year term for extortion and gambling.

DATE January 3, 1986

PUBLICATION Milwaukee Sentinel

DCIR FILE NUMBER OC-1

COMMENTS RECEIVED JAN 2 1 1986

Balistrieri's guilty plea reinforces allegations

The guilty plea entered by Frank P. Balistrieri to federal conspiracy and racketeering charges apparently did not earn him any extra prison time.

But it did reinforce the strong belief that organized crime has had a foothold in Milwaukee, and Balistrieri, by admitting his guilt, in effect corroborated what has been alleged for years.

Convicted in 1984 on extortion, gambling and tax charges in Milwaukee — convictions which earned him a 13-year prison sentence — Balistrieri suddenly changed his plea from not guilty to guilty in his Kansas City trial, held in connection with the skimming of nearly $2 million in profits from Las Vegas casinos.

For the Kansas City convictions, he will serve a 10-year term concurrently with his other sentence. During the Kansas City trial, testimony was given about a Mafia takeover of casinos. And with his plea, Balistrieri became the fifth defendant to plead guilty in the case.

Balistrieri's two sons, Joseph P. and John J., are also on trial in Kansas City, having been convicted in Milwaukee earlier, along with their father, on extortion charges in connection with the takeover of a Milwaukee vending machine business.

They face eight-year prison terms on those convictions.

Organized crime in America and Milwaukee has long been the topic of federal action. Unfortunately, totally uprooting it does not seem within the power of the law.

But through thorough investigation, it has made a dent. And that is something.

)ATE January 3, 1986

'UBLICATION Milwaukee Sentinel

CIR FILE NUMBER OC-1

COMMENTS RECEIVED JAN 2 1 1986

capable, conservatively dressed tax attorney.

●He once lost his temper, he testified, because of a dispute involving a theater and an actors union, and punched a hole in his office wall. "I hit the wall twice with my left hand and once with my right," he said. "After I punched two holes, I hit a stud and broke my hand."

●According to FBI tape recordings, John once told his mother, in discussing the Internal Revenue Service: "Three years ago, we ran a bunch of strip clubs and none of 'em were successful. Today, we are worth $15 million. You don't think that sticks in their throat?"

In Joseph's words, recorded on FBI tapes March 10, 1980, the brothers were "clean" until 1975.

In the recording, in which they discussed their father, Joseph said: "You know what the sum and substance of it is now, brother John. . . . Any hope of (our) being legitimate is gonna be automatically erased. You might as well get that into your mind now.

"The time to make our move was in 1975 when we were absolutely clean. . . . I mean, now, we listened to him, we did it his way, and we were absolutely corrupted.

"There's no way in the world now that we're ever gonna be legitimate. I hope you understand that."

"I know that," John said.

Another FBI tape sheds light on the family relationship after the FBI seized $200,000 in a 1980 raid at the family's Shorecrest hotel.

Joseph tells John on the tape: "Because he's gotta be so . . . greedy. That $200,000 should have been in a bank account. Now they're going to get it."

Later, Joseph tells his father, "Instead of having all that cash lying around, we could have made investments, put it in places instead of having it in a safe."

Frank replies: "I thought that (money) was my security kit. If something came up, it was there. We just left it there too long and now we blew it, that's all."

In April 1984, the two brothers were found guilty of extortion and were sentenced to serve eight years in prison and pay $20,000 fines. The Federal Appeals Court in Chicago later upheld the convictions. The brothers' law licenses have been suspended.

In sentencing Joseph and John on the extortion charges in July 1984, Evans said: "Their predicament lies with their father. . . . Joe and John got too close to their father. It's tragic that they did.

"Frank Balistrieri is a criminal and a criminal of the highest order. . . . He is a crook, pure and simple."

RECEIVED JAN 2 7 1986

NEWSPAPER CLIPPING
DJ-DCI-43 (Rev. 7/79)

WISCONSIN DEPARTMENT OF JUSTICE
DIVISION OF CRIMINAL INVESTIGATION

2 Balistrieri brothers appear close

By Kenneth R. Lamke

By all accounts, the Balistrieri brothers, Joseph P., 45, and John J., 37, have similar backgrounds and lifestyles and are close to each other and to their father, Frank P.

But they differ in personality.

Both are attorneys; both are well-educated.

Joseph graduated from the University of Notre Dame in Indiana and obtained his law degree at the University of Wisconsin — Madison.

John graduated from UW — Madison and obtained his law degree at Valparaiso University in Indiana.

Both brothers had gone to Marquette University High School.

Both are single. Both live in The Shorecrest hotel. Both drive expensive cars — Joseph a Rolls-Royce, John a Mercedes.

Joseph is said to have the more winning personality. John is more intense, quick to anger, it is said.

Anecdotes about Joseph:

●Replying to a former classmate who, a few years ago, kidded him about his car, Joseph reportedly said: "It makes up for my insecurities. If I was a secure 41-year-old, I'd drive a Chevy."

●Recalling college days, the classmate said: "One time, Frank dropped Joe off at Notre Dame and had a couple of his boys carry all of Joe's bags in. Here were these hoods carrying all the stuff down the hall, and doors were opening all over so kids could get a look at them."

●In the mid-1970s, Joseph apparently dabbled with the idea of getting into politics. He reportedly considered running for alderman but didn't run.

He was appointed to a post in the Milwaukee County Democratic Party, but the appointment was withdrawn after controversy developed. In another controversial appointment, Joseph was named a part-time court commissioner in 1971 by Circuit Judge Hugh R. O'Connell and held the post until O'Connell retired in 1983.

●Federal Judge Terence T. Evans, in sentencing the brothers to prison in 1984 for extortion, called Joseph "the warmer of the two individuals." Joseph is "a very personable man, even charming ... quite possibly the smartest ... person in this room. ... As a lawyer, I liked Joe Balistrieri and I still do," the judge said.

Anecdotes about John:

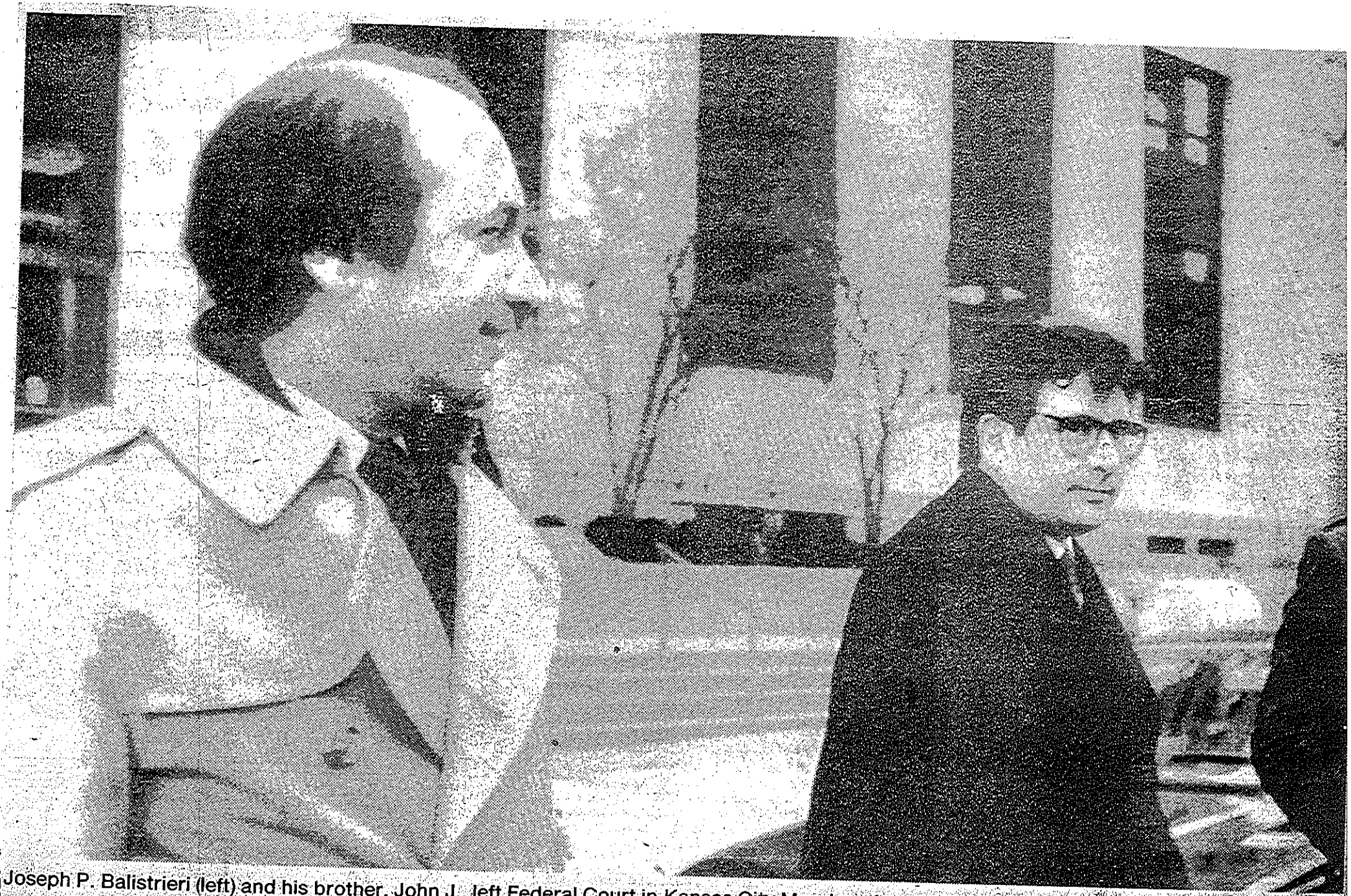
●Until 1980, when FBI affidavits identified John, Joseph and their father as targets of a special grand jury investigation, John was outside the public spotlight that shined on Joseph and Frank. He was known as a

DATE JANUARY 7, 1986

PUBLICATION MILWAUKEE SENTINEL

DCIR FILE NUMBER OC-1

COMMENTS RECEIVED JAN 27 1986



Joseph P. Balistrieri (left) and his brother, John J., left Federal Court in Kansas City Monday after a judge ordered a directed verdict of acquittal.
—AP

NEWSPAPER CLIPPING
DJ-DCI-43 (Rev. 7/79)

WISCONSIN DEPARTMENT OF JUSTICE
DIVISION OF CRIMINAL INVESTIGATION

Balistrieri brothers acquitted

Special to The Sentinel

Kansas City, Mo. — Joseph P. and John J. Balistrieri were acquitted in a casino skimming trial Monday without having to present a defense.

Defense attorneys said Federal Judge Joseph E. Stevens Jr. ordered a directed verdict of acquittal against the Milwaukee brothers as prosecutors wrapped up their case after 57 days of testimony.

Joseph, 45, and John, 37, were accused with their father, Frank P. Balistrieri, and five other reputed organized crime members of skimming $2 million from Las Vegas casinos.

The brothers, both lawyers, appeared elated as they left the courtroom.

"I feel like this has been hanging over me for more than two years. I feel like a tremendous burden has been lifted from my shoulders," said a smiling John Balistrieri.

Joseph Balistrieri expressed relief that the trial was over, but said he did not want to discuss the case because five other men remained on trial.

Asked if he believed he and his brother had been indicted because they were the sons of Frank Balistrieri, Joseph Balistrieri said, "Let's not do an autopsy on that. Let's put that behind us."

Their father has been identified in FBI documents as the leader of organized crime in Milwaukee.

Frank Balistrieri was sentenced to 10 years in prison and fined $20,000 after pleading guilty last week to maintaining a hidden interest in Argent Corp. casinos and to traveling in aid of racketeering.

Six other counts against the elder Balistrieri, 67, were dropped in return for the guilty pleas.

Russell Stewart, an attorney for John Balistrieri, said the brothers were found innocent "based on the total insufficiency of the evidence. There was nothing to submit to the jury because no reasonable juror could find guilt based on the evidence present."

Joseph and John Balistrieri were convicted in Milwaukee in 1984 on extortion charges, involving a conspiracy to extort a half-interest in a vending machine company operated by an undercover FBI agent.

Both brothers were sentenced to eight years in prison. They have appealed their convictions, which were upheld in November by the Federal Appeals Court in Chicago. The court has not responded to the brothers' requests for reconsideration.

Federal Judge Terence T. Evans in Milwaukee said a hearing would be

DATE JANUARY 7, 1986

PUBLICATION MILWAUKEE SENTINEL

DCIR FILE NUMBER OC-1

COMMENTS RECEIVED JAN 2 7 1986

scheduled after the Kansas City trial on when the brothers would begin their prison terms.

Frank Balistrieri also was convicted on the extortion charges in Milwaukee plus an addition count of managing a sports bookmaking operation. He is serving a 13-year term on those charges.

His health has been deteriorating for several weeks, culminating in severe internal bleeding, authorities said.

He has been transferred from the penitentiary in Leavenworth, Kan., to the US Medical Center for Federal Prisoners in Springfield, Mo., for treatment.

Joseph Balistrieri said his father would be seen by a private physician.

John Franke, head of the US Department of Justice's Organized Crime Strike Force in Milwaukee, said he had been advised that the attorneys for the remaining defendants, "almost to a man, have indicated they want to call the Balistrieris (Joseph and John) as defense witnesses. That poses a problem, as the sons' position is that they know nothing."

Franke had no comment on the verdict Monday.

Glenn Reynolds, who represented Frank Balistrieri at the Kansas City trial, said of Monday's verdicts, "That's just super news. It will cheer the whole family."

"They were sweating it out," Reynolds said of the Balistrieri brothers.

"There wasn't very much on them," he said. "They only had Frank and the tapes, which were ambiguous at best."

The tape recordings included a conversation among all three Balistrieris shortly after the FBI raided The Shorecrest hotel and confiscated $200,000 in a safe there.

The recording indicates that Frank Balistrieri worried that the government would use the money to try to tie the Balistrieris to casino skimming. During that conversation, the three Balistrieris discussed whether tax returns had been filed on the origin of the money.

Stevens did not comment on the acquittal of Joseph and John Balistrieri.

The jury will be told only that the Balistrieris no longer are part of trial and that their absence has no bearing on the guilt or innocence of the other defendants, courtroom observers said.

The remaining defendants are: reputed Chicago mob bosses Joseph Aiuppa, 78, and Jack Cerone, 71; Angelo LaPietra, 65, and Joseph Lombardo, 57, both of Chicago; and Milton Rockman, 73, of Cleveland.

The men are accused — as were the Balistrieri brothers until Monday — of using their influence in the Teamsters Union to obtain millions of dollars in loans for San Diego businessman Allen R. Glick to buy and renovate Las Vegas casinos under the Argent Corp.

They then allegedly took hidden control of the casinos and skimmed gambling profits totaling $2 million — money that, according to prosecutors, was distributed to organized crime factions in Kansas City, Chicago, Milwaukee, Las Vegas and Cleveland.

Shortly after the trial opened in September, Stewart had argued that John and Joseph Balistrieri had been charged "because, by an act of God, they happen to be the sons of Frank Balistrieri."

Stewart described the brothers as having "an established and well-respected law practice." He said they "operated totally separate from the father" in the practice and the ownership of The Shorecrest, 1962 N. Prospect Ave., and Snug's restaurant in the hotel.

In 1974, Joseph and John signed a $30,000 option with Argent Corp. owner Glick. The option gave the brothers a half-interest in Argent.

Glick had gotten a $62 million loan from the Teamsters pension fund through the influence of Frank Balistrieri and others, the government alleged, saying the loan allowed Glick and Argent to buy the Stardust and Fremont casinos.

Prosecutors claimed organized crime figures pressured Glick to fulfill his loan "obligations" by giving them control of the casinos, then skimmed off profits without paying income taxes.

The option from Glick to the Balistrieri brothers was part of the deal, the government alleged.

Stewart argued that it shouldn't be construed that the Balistrieri brothers bought a half-interest in a $62 million company for $30,000 because the loan had not been completed at the time the option was signed. Argent had just incorporated then, and had a book value of $66,000, Stewart said.

In early November, Glick testified that Frank Balistrieri had warned Glick he could be killed if he continued to cause trouble over how his casinos were to be operated.

A week later in the trial, Glick said he did not consider Joseph and John among the "partners" he claims muscled in on his casinos.

"You and your brother have never made any demands on me," Glick told Joseph Balistrieri during the trial.

Glick had testified earlier that he believed he had to sign the option agreement with the Balistrieri brothers to get the Teamsters pension fund loan.

Besides Frank Balistrieri, guilty pleas in the skimming case have been entered by Anthony Chiavola Sr., 67, of Chicago; his son, Anthony Jr., 37, also of Chicago; Carl J. Civella, 75, of Kansas City; and Peter Joseph Tamburello, 53, of Kansas City.

RECEIVED JAN 2 7 1986

DJ-DCI-43 (Rev. 7/79)

WISCONSIN DEPARTMENT OF JUSTICE
DIVISION OF CRIMINAL INVESTIGATION

FBI says Balistrieri told witnesses not to testify

By DAVID E. UMHOEFER
of The Journal staff

Frank P. Balistrieri ordered witnesses not to testify before a grand jury in 1979, even if it meant risking jail, according to FBI affidavits filed Wednesday in Federal Court here.

The affidavits said the grand jury was investigating the shooting death of August Maniaci in 1975; the attempted car-bombing of Maniaci's brother, Vincent, in 1977; and the car-bomb murder of August Palmisano in 1978.

Authorities have said the grand jury also was looking into Balistrieri's activities.

Transcripts of a discussion recorded by federal agents six days before the grand jury met quoted Balistrieri as telling his son Joseph, a lawyer who represented one witness:

"So just make sure that they don't even blink ... 'cause they got orders. They get immunity, they still take the ... take the immunity ... they gonna sit, they gonna go to jail. That's the orders that they got."

The documents were filed in connection with the upcoming sentencing of John Monteleone, a Chicago man alleged to have organized-crime ties, who was convicted here in August of criminal contempt of court.

Despite receiving immunity from prosecution, Monteleone refused to testify before a grand jury here in 1983. The government also claims that Monteleone was among the witnesses Balistrieri sought to silence during the 1979 investigation. Monteleone exercised his Fifth Amendment right against self-incrimination on that occasion.

The FBI charges that Monteleone reports to alleged Chicago "street bosses" Angelo LaPietra and Joseph Ferriola. LaPietra is among the defendants in the Kansas City skimming trial in which Balistrieri pleaded guilty and his two sons were aquitted.

The recorded conversation, which included Balistrieri's other son, John, reveals Frank Balistrieri speculating about the nature of the grand jury's investigation.

At one point, Balistrieri concludes that the grand jury is "not looking at gambling. They're looking to nail me."

Later, he added: "They got me as a new breed, and they are gonna make me out to show that I'm worse than Al Capone, because Al Capone never booked into legitimate business. But me, I'm, I'm deadly and I surround myself with accountants."

Later, Balistrieri said the government thought of him as "the biggest fish, but there's no way that, you know."

DATE January 9, 1986

PUBLICATION The Milwaukee Journal

DCIR FILE NUMBER OC-1

COMMENTS RECEIVED JAN 2 1 1986

DJ-DCI-43 (Rev. 7/79)

WISCONSIN DEPARTMENT OF JUSTICE
DIVISION OF CRIMINAL INVESTIGATION

MILW. SENTINEL
THUR. JAN. 9 - 1986

Peter Balistrieri in-law missing for two weeks

By Donna Wasiczko

Leonard J. Drewek, son-in-law of Peter Balistrieri, the brother of reputed Milwaukee organized crime boss Frank P. Balistrieri, has been missing for two weeks, it was learned Wednesday.

Police said Drewek, 42, of 1634 N. Jackson St., was last seen Dec. 26 leaving his home. He was reported missing Jan. 2 by his wife, Benedetta.

According to police:

Drewek's car was found at the Amtrak station at 433 W. St. Paul Ave.

Drewek, manager of the meat department at a Kohl's II Food Store in Port Washington, left for work as usual Dec. 26 but never arrived.

His wife received a call from the store saying that Drewek had not appeared for work.

Drewek did not pick up his paycheck at the store Dec. 27.

Police said they did not know why Drewek's disappearance was not reported until Jan. 2.

"I don't have any comment to make," a woman at the Drewek residence said Wednesday night.

A police source said it was not unusual for Drewek to drop out of sight for a few days, but it was unusual for him to be gone longer than a day or two.

"His history is that once in a while he takes a little flier, but at most a day or two and then calls in to work," said the source.

"Right now, it's strictly a missing man," a police official said Wednesday. "Anytime someone is an adult and missing for this length of time, we're concerned. I don't think we want to jump to a lot of conclusions because of the relationship to the family."

John Franke, head of the federal organized crime task force in Milwaukee, said he was not aware of Drewek's disappearance.

The Dreweks live at the same address that has been listed as the home of Peter Balistrieri. In the 1983 Federal Court gambling trial of Frank Balistrieri, an FBI agent testified that Peter Balistrieri was the underboss of organized crime in Milwaukee.

In 1981, Drewek told the Common Council's Utilities and Licenses Committee that he owned 85% of Star-Ridge Inc., the company that owned what then was Leonardo's restaurant, 1601 N. Jackson St.

The committee was looking into Frank Balistrieri's connections with Leonardo's and three other Milwaukee restaurants.

Federal court records filed in Las Vegas in 1979 identified Drewek as president and treasurer of the corporation and listed his wife as secretary.

DATE January 9, 1986

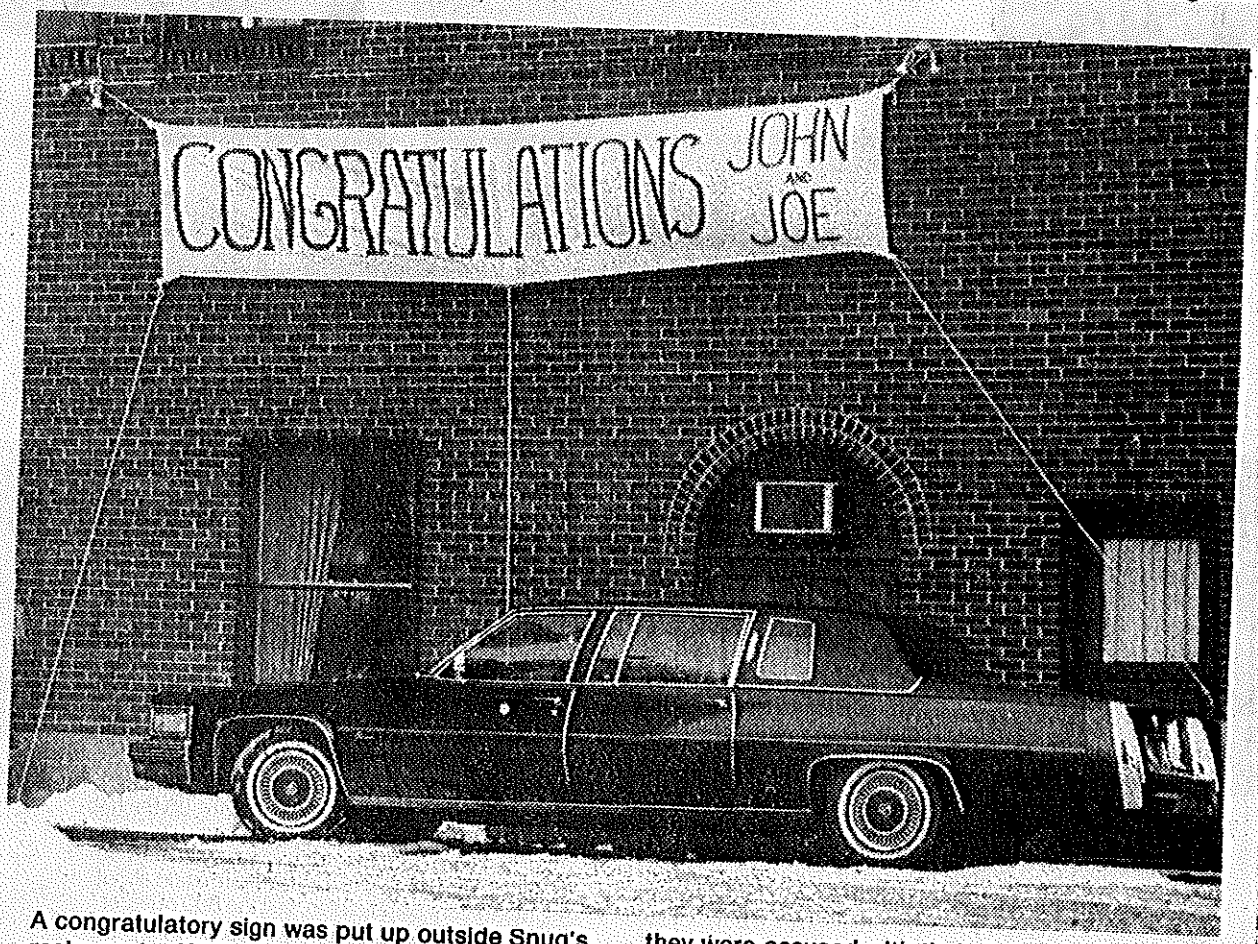
PUBLICATION Milwaukee Sentinel

DCIR FILE NUMBER OC-1

COMMENTS RECEIVED JAN 2 1 1986

NEWSPAPER CLIPPING
DJ-DCI-43 (Rev. 7/79)

WISCONSIN DEPARTMENT OF JUSTICE
DIVISION OF CRIMINAL INVESTIGATION



A congratulatory sign was put up outside Snug's restaurant, 1962 N. Prospect Ave., Thursday. Brothers Joseph P. and John J. Ballstrieri were acquitted in Kansas City, Mo., Monday, where they were accused with their father and five others of skimming $2 million from casinos in Las Vegas, Nev. The restaurant is owned by members of the Ballstrieri family. —Sentinel photo

DATE JANUARY 10, 1986

PUBLICATION MILWAUKEE SENTINEL

DCIR FILE NUMBER OC-1

COMMENTS RECEIVED JAN 27 1986

NEWSPAPER CLIPPING
DJ-DCI-43 (Rev. 7/79)

WISCONSIN DEPARTMENT OF JUSTICE
DIVISION OF CRIMINAL INVESTIGATION

Tosa attorney testifies on loan for casinos

Special to The Sentinel

Kansas City, Mo. — A $62.75 million loan for the purchase of Las Vegas casinos did not hurt a Teamsters Union pension fund, Wauwatosa attorney Thomas J. Duffey testified in Federal Court here Tuesday.

Duffey said the union's Central States Pension Fund lost no money on the loan.

Duffey was the last witness in the trial that began in September with nine men, including Milwaukee's Frank P. Balistrieri and his sons Joseph P. and John J., charged with conspiring to hide the ownership of four casinos and then skimming nearly $2 million in profits.

Frank Balistrieri pleaded guilty to two counts Dec. 31 and was sentenced to 10 years in prison, concurrent with the 13-year extortion, gambling and tax evasion term he already is serving.

Earlier this month, Federal Judge Joseph E. Stevens Jr. ordered a directed verdict of acquittal against the two Balistrieri brothers.

A former Milwaukee County supervisor and state representative, Duffey was called as a defense witness by Milton J. Rockman, whom the government claims is a mob leader in Cleveland with influence among the Teamsters.

Duffey was a trustee of the pension fund from 1962 to 1976 when he resigned during a reorganization ordered by the US Department of Labor.

Duffey said he was not aware of any misuse of money in Las Vegas by people connected with the Argent Corp., which got the Teamsters loan. A certified public accounting firm was assigned to monitor the loan, he said.

Duffey said his vote for the Argent loan was not influenced by anything other than the financial documents filed with the loan application in 1974.

Sheryle Jeans, assistant US Strike Force prosecutor, asked Duffey what he knew about Frank Balistrieri.

"Frank Balistrieri lived in Milwaukee and operated restaurants there," Duffey replied.

Jeans asked if he knew anything else.

No, Duffey said, "other than what I read in the newspaper."

DATE JANUARY 15, 1986

PUBLICATION MILWAUKEE SENTINEL

DCIR FILE NUMBER OC-1

COMMENTS RECEIVED JAN 2 7 1986

NEWSPAPER CLIPPING
DJ-DCI-43 (Rev. 7/79)

WISCONSIN DEPARTMENT OF JUSTICE
DIVISION OF CRIMINAL INVESTIGATION

Cash stressed at closing of casino trial

By Caroline Rooney
Special to The Sentinel

Kansas City, Mo. — Federal prosecutor David Helfrey pulled $40,000 in cash from his pockets and showed it to the jury during closing arguments Wednesday in the Argent casino skimming trial.

Helfrey said the money, neatly bound in packets of $5,000 each, was part of the $200,000 cash seized by the FBI in March 1980 from a safe at the Shorecrest Hotel, 1962 N. Prospect Ave., Milwaukee. The Shorecrest is owned by members of the Balistrieri family.

Frank P. Balistrieri, identified by federal officials as organized crime leader in Milwaukee, is serving a 13-year term on extortion charges and a charge of managing a bookmaking operation.

He pleaded guilty several weeks ago to maintaining a hidden interest in Argent Corp. and to traveling in aid of racketeering and was sentenced to 10 years in prison and fined $10,000.

In court Wednesday, Helfrey placed the $40,000 into one of the trial exhibits, a bank safety deposit box that the prosecution contends was used by a Chicago man, Anthony Chiavola Sr., to store some of the more than $2 million allegedly skimmed from the Stardust and Fremont casinos.

Helfrey's four-hour closing arguments were a recitation of the evidence presented to the jury since the trial began Sept. 23, 1985.

The young prosecutor argued that the government has proved its case beyond reasonable doubt against the five defendants.

He cited the presentation of more than 30 hours of FBI surveillance tapes, corroborating coded notes seized from the home of Carl DeLuna, of Kansas City, and from the testimony of former Teamsters President Roy Williams and from protected witnesses Angelo Lonardo, Jimmy Frattiano and Carl Thomas, a Stardust casino executive who originally was a defendant in the trial.

In closing remarks, Helfrey told the jury:

"This is a major prosecution. One of the things being tested here is whether these defendants — who wield national power, as you have seen — these defendants, who insulate themselves with countless minions and are not reluctant to threaten the use of life-endangering force, can be brought before a jury and have ordinary citizens of the community pass on their guilt or innocence."

Later, during closing arguments on behalf of Chicago defendant Jack Cerone, defense attorney Charles Shaffer argued that the Argent indictment was flawed, saying, "What the government gave us in volume, it did not give us in quality."

Shaffer noted that neither his client nor Joseph Aiuppa, both reputed leaders of organized crime in Chicago, had been heard on any of the more than 30 hours of court-authorized surveillance tapes played during the lengthy trial.

Shaffer continued, "The government has not proved skimming. What has been proved is an extortion."

Then Shaffer recalled evidence showing that Argent owner Allen R. Glick was summoned to Kansas City for a meeting with Nick Civella, with Civella reportedly demanding that Glick pay him $1.2 million in return for securing $87 million in Teamster pension fund loans for him.

Civella, who US Justice Department officials say was longtime boss of organized crime in Kansas City, died in early 1983, before the Argent indictments were issued.

While reviewing testimony for the jury, Shaffer commented that "Berman," a code name used by Carl DeLuna and alleged by the government to mean Balistrieri, actually might have been "Beer Man," referring to Milwaukee's reputation for producing beer.

Closing arguments are to be completed Thursday, followed by rebuttal by the government. The case is expected to go to the jury late Thursday.

DATE JANUARY 16, 1986

PUBLICATION MILWAUKEE SENTINEL

DCIR FILE NUMBER OC-1

COMMENTS RECEIVED JAN 27 1986

NEWSPAPER CLIPPING
DJ-DCI-43 (Rev. 7/79)

WISCONSIN DEPARTMENT OF JUSTICE
DIVISION OF CRIMINAL INVESTIGATION

Jury gets case of 5 on skimming

Special to The Sentinel and from UPI

Kansas City, Mo. — After 67 days of testimony, attorneys presented final arguments Thursday in the trial of five reputed mob leaders accused of skimming millions of dollars from Las Vegas casinos.

The case went to the jury at 5:57 p.m. Federal Judge Joseph E. Stevens Jr. ordered the panel to return Friday morning for deliberations. Jurors will be sequestered until they reach their verdict, which is not expected for several days.

In his closing statement, federal prosecutor David Helfrey told the jury, "I've tried to tell you the facts of this case. I've tried not to appeal to your emotions. In a very real sense, it would be an injustice to convict anyone if the evidence was not there. But the evidence is here."

Helfrey said, "We've got to make the system work in this country. How many of you have sat around and complained that the big guys never get caught, just the little guys?

"Well, we've brought in some of the big ones," Helfrey continued. "Defendants in this case have misused the Teamster's Union, the Teamster's pension fund and they've misused a major corporation."

Attorneys for the defendants told the jury that the government's case proved only that men other than their clients extorted money.

In a bit of drama Thursday, attorney Santo Volpe, defending Joseph J. Aiuppa, a reputed Chicago mob boss, pointed to a spectator in the courtroom during his closing arguments and identified him as "No. 7." He then wrote on a pad, "No. 7 is a narcotics dealer. Love, Carl DeLuna."

"You are in big trouble now," Volpe said, pointing to the man. "You are in big, big trouble."

Volpe was referring to numerous notes written by DeLuna, a former defendant, that mention Aiuppa. The notes were entered as evidence.

The remaining defendants are: Aiuppa and Jack Cerone, reputed Chicago mob bosses; Angelo LaPietra and Joseph Lombardo, both of Chicago; and Milton Rockman of Cleveland.

They stand accused — as were Milwaukeeans John J. and Joseph P. Balistrieri and their father, Frank P. Balistrieri — of using their influence with the Teamsters Union to obtain millions of dollars in loans for San Diego businessman Allen R. Glick to buy and renovate several Las Vegas casinos under the Argent Corp.

They then allegedly took hidden control of the casinos and skimmed gambling profits totaling $2 million. That money was distributed to organized crime factions in Kansas City, Chicago, Milwaukee, Las Vegas and Cleveland, federal officials said.

John, 37, and Joseph, 37, were acquitted Jan. 6. Frank Balistrieri, 67, identified by federal officials as organized crime leader in Milwaukee, pleaded guilty several weeks ago to maintaining a hidden interest in the Argent Corp. and to traveling in aid of racketeering.

He was sentenced to 10 years in prison and fined $20,000. He currently is serving a 13-year prison term on extortion charges and a charge of managing a bookmaking operation. In return for the guilty pleas, six other counts against him were dropped.

DATE JANUARY 17, 1986

PUBLICATION MILWAUKEE SENTINEL

DCIR FILE NUMBER OC-1

COMMENTS RECEIVED JAN 27 1986

DJ-DCI-43 (Rev. 7/79)

WISCONSIN DEPARTMENT OF JUSTICE
DIVISION OF CRIMINAL INVESTIGATION

5 convicted in casino skimming

Kansas City, Mo. —AP— Five alleged organized crime leaders, including the reputed boss of Chicago crime, were convicted Tuesday of skimming gambling proceeds from casinos in Las Vegas, Nev.

The jury in Federal Court convicted the defendants on each of eight counts against them. It had deliberated about 30 hours since Thursday.

The defendants were charged with conspiracy and traveling in interstate commerce to carry out the skimming plan. Skimming is the illegal diversion of profits before taxes are collected.

They face penalties of 40 years in prison and $80,000 in fines.

Nine people had been charged in the case when it opened Sept. 23. The remaining defendants were Joseph J. Aiuppa, 78, and John P. Cerone, 71, whom the government described as the boss and underboss, respectively, of organized crime in Chicago; Joseph Lombardo, 58, and Angelo LaPietra, 65, both of Chicago and Milton J. Rockman, 73, of Cleveland.

They were accused of using influence over trustees of the Chicago-based Central States Pension Fund of the Teamsters union to infiltrate the Argent Corp., which owned the Stardust, Fremont, Hacienda and Marina casinos in Las Vegas.

The government contended that they established a hidden interest and skimmed $2 million between 1974 and 1983, splitting the proceeds among crime families in Las Vegas, Kansas City, Chicago, Milwaukee and Cleveland.

Allen R. Glick, a real estate millionaire from California, formed Argent in 1974 and used two pension fund loans totaling $87.75 million to buy and remodel the Stardust and Fremont.

Glick, who testified as a government witness, said he later found he had hidden partners who took credit for getting him the loans and demanded $1.2 million. He said he was threatened with death if he didn't follow orders, and finally announced in 1978 that he would sell out after threats that his sons would be killed if he didn't.

Former Teamsters President Roy Williams, a pension fund trustee when the loans were made, testified that Nick Civella, a reputed Kansas City mob boss who died in 1983, paid him $1,500 a month for voting for the loans.

[Frank Balistreri, 68, and his sons, Joseph, 45, and John, 37, of Milwaukee, all were original defendants in the case.

[Federal Judge Joseph E. Stevens earlier this month ordered a directed verdict of acquittal for Joseph and John, clearing them of charges in the skimming case. They were sentenced in Milwaukee in 1984 to eight-year sentences on conviction of extortion charges, but have not begun serving their sentences.

[Frank Balistreri pleaded guilty in the skimming case, and received a a 10-year prison sentence and $20,000 fine. He is already serving a 13-year sentence for a 1984 conviction in Milwaukee on extortion charges.]

A fourth original defendant was severed from the case for undisclosed reasons.

DATE JANUARY 21, 1986

PUBLICATION THE MILWAUKEE JOURNAL

DCI FILE NUMBER OC-1

COMMENTS RECEIVED JAN 27 1986

DJ-DCI-43 (Rev. 7/79)

WISCONSIN DEPARTMENT OF JUSTICE
DIVISION OF CRIMINAL INVESTIGATION

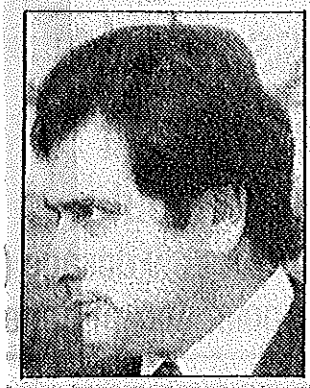
Terms start soon for Balistrieris

By DAVID E. UMHOEFER
of The Journal staff

Federal Judge Terence T. Evans on Wednesday ordered Joseph and John Balistrieri to surrender to federal prison authorities on Jan. 31 to begin serving their eight-year sentences on a 1984 extortion conviction.

Evans ordered Joseph, 45, to report to the federal correctional institution in Tallahassee, Fla. His brother John, 37, was assigned to the La Tuna correctional institution 15 miles north of El Paso, Texas.

The assignments were made by the US Bureau of Pris-



John Balistrieri

Joseph Balistrieri

ons. The brothers will be eligible for parole after 32 months, federal prosecutor John Franke said.

Evans, noting the distance, gave the brothers the option of surrendering to the US marshal in Milwaukee on Jan. 30 for transport to the prisons.

The Balistrieris, both attorneys, are the sons of Frank P. Balistrieri, identified by the government as the boss of organized crime in Milwaukee. Frank Balistrieri is serving a 13-year sentence in the extortion case, which involved efforts to take over a dummy vending-machine business set up by undercover FBI agents in 1978.

In a separate case in Kansas City this month, the brothers were acquitted on charges of skimming profits from Las Vegas casinos. Frank Balistrieri pleaded guilty in that case and was sentenced to 10 years to run concurrently with the previous sentence and fined $20,000.

The Balistrieri brothers had been free on bail in the Milwaukee case while the 7th Circuit Court of Appeals in Chicago considered their appeals. Earlier this month, it refused reconsider the convictions.

DATE JANUARY 22, 1986

PUBLICATION THE MILWAUKEE JOURNAL

DCIR FILE NUMBER OC-1

COMMENTS RECEIVED JAN 27 1986

NEWSPAPER CLIPPING
DJ-DCI-43 (Rev. 7/79)

WISCONSIN DEPARTMENT OF JUSTICE
DIVISION OF CRIMINAL INVESTIGATION

4 alleged crime bosses guilty of skimming

By Caroline Rooney
Special to The Sentinel

Kansas City, Mo. — Four alleged organized crime leaders were taken into custody Tuesday immediately after their convictions for skimming gambling proceeds from Las Vegas casinos.

A Federal Court jury found the defendants guilty of each of the eight counts against them. A fifth man also was convicted but was already in jail.

Brothers Joseph P. and John J. Balistrieri, both of Milwaukee, were aquitted in the skimming trial earlier this month. The two had been accused with their father, Frank P. Balistrieri, and the five other defendants of skimming $2 million from Las Vegas casinos.

Frank P. Balistrieri was sentenced to 10 years in prison and fined $20,000 after he pleaded guilty to maintaining a hidden interest in Argent Corp. casinos and traveling in aid of racketeering.

The five convicted Tuesday were Joseph J. Aiuppa, 78, and John P. Cerone, 71, whom the government described as the boss and underboss respectively of organized crime in Chicago; Joseph Lombardo, 58, and Angelo LaPietra, 65, both of Chicago; and Milton J. Rockman, 73, of Cleveland.

They were accused of using influence over trustees of the Chicago-based Central States Pension Fund of the Teamsters union to infiltrate the Argent Corp., which owned the Stardust, Fremont, Hacienda and Marine casinos in Las Vegas.

Hearings about whether Cerone, LaPietra and Aiuppa should be free pending appeal of their convictions were scheduled for Monday. Lombardo waived his right to be in court and remained in jail.

At a hearing for Rockman Tuesday, his attorney, Alan Caplan, asked that Rockman be allowed to remain free. Rockman is not likely to flee the country and is not a danger to the community, Caplan said.

However, strike force prosecuter David Helfrey said Rockman already had violated terms of his bond and had met with two convicted felons, according to FBI surveillance.

In 1984, Rockman met with John Tronolone in Miami Beach, and later that year met with Anthony Salero, acting boss of the Genovese organized crime family, Helfrey said.

Rockman is a "professional" at avoiding electronic surveillance and if he were allowed to be free on bond the government thinks he would maintain his contacts with organized crime, Helfrey said.

The prosecutor argued for immediate incarceration for Rockman, saying he is a dangerous man, connected to a number of mob murders in Cleveland in the 1970s. Helfrey was not specific about victims or dates.

The judge made no ruling on Rockman, and the hearing was continued to Thursday.

A former defendant in the case, Carl Angelo DeLuna, 58, of Kansas City, was dropped as a defendant Nov. 5, 1985, on a guilty plea. Tuesday afternoon, after the verdict was in, Judge Joseph E. Stevens Jr. revealed that DeLuna had pleaded guilty to all counts in the eight count indictment.

No date was set for sentencing of DeLuna, who is being held in the penitentiary in Leavenworth, Kan.

A sentencing date for the five convicted Tuesday will not be set until after the hearings next week.

DATE JANUARY 22, 1986

PUBLICATION MILWAUKEE SENTINEL

DCIR FILE NUMBER OC-1

COMMENTS RECEIVED JAN 27 1986

NEWSPAPER CLIPPING
DJ-DCI-43 (Rev. 7/79)

WISCONSIN DEPARTMENT OF JUSTICE
DIVISION OF CRIMINAL INVESTIGATION

2 Balistrieris may work on furniture

By Michele Derus

Attorneys Joseph P. Balistrieri and John J. Balistrieri will serve their eight-year extortion sentences in federal prisons that specialize in furniture manufacturing and refinishing.

Under terms of an order Wednesday from Judge Terence T. Evans, Joseph P. Balistrieri, 45, is to report Jan. 31 to the Federal Correctional Institution at Tallahassee, Fla.

John J. Balistrieri, 37, is to report to the La Tuna Federal Correctional Institution in Anthony, Texas, the same day.

Evans gave the Balistrieris the option of turning themselves in Jan. 30 to the US marshal in Milwaukee, instead of reporting directly to prison.

The Balistrieris and their father, Frank P., 67, were convicted April 4, 1984, on extortion charges in connection with the attempted takeover of a Milwaukee vending machine business.

Frank Balistrieri, who the FBI says is Milwaukee's long-time organized crime boss, began serving his 13-year prison term immediately. He has been kept in solitary confinement much of the time as a safety precaution.

The judge allowed the Balistrieri sons, who surrendered their law licenses after being convicted, to remain free while they appealed their cases. On Nov. 20, the Federal Court of Appeals in Chicago upheld the convictions.

The Tallahassee prison is designed for 557 inmates, about one-third of whom work in a furniture manufacturing facility, according to information from the US Department of Probation.

Inmates live in cubicles within dormitories and may enroll in classes from basic education through college or in one of nine vocational training programs. The prison offers an intramural sports program, track, handball, weight lifting, music, painting, leathercraft and ceramics.

The prison in Texas is designed for 328 inmates, about two-thirds of whom work in a furniture refinishing factory and a brush factory.

About one-third of the inmates are from Central and South American countries, with most others from Western states.

The prison offers academic and trade classes, athletics, a Jaycees chapter, vocal and instrumental music groups and a bridge club.

The facility has an adjacent minimum-security camp for 165 inmates, which opened in 1978 and specializes in institutional maintenance work.

The Balistrieri brothers had no previous convictions. They were acquitted earlier this month by a federal judge in Kansas City, Mo., of charges relating to the skimming of untaxed profits from Las Vegas casinos.

Frank Balistrieri pleaded guilty in the skimming case Dec. 31 and was sentenced to 10 years in prison, to be served concurrently with his Milwaukee sentence. A jury convicted five other defendants Tuesday.

DATE JANUARY 23, 1986

PUBLICATION MILWAUKEE SENTINEL

DCIR FILE NUMBER OC-1

COMMENTS RECEIVED JAN 30 1986

NEWSPAPER CLIPPING
DJ-DCI-43 (Rev. 7/79)

WISCONSIN DEPARTMENT OF JUSTICE
DIVISION OF CRIMINAL INVESTIGATION

Balistrieris seek prison trip delay

Brothers John J. and Joseph P. Balistrieri filed a request Friday to delay the start of their eight-year prison terms while they appeal their 1984 convictions to the US Supreme Court.

The brothers, through lawyer Stephen M. Glynn, also asked Federal Judge Terence T. Evans for at least 60 days to complete unspecified real-estate transactions and other business.

On Wednesday, they had been ordered to surrender to federal authorities Jan. 31.

Glynn said the brothers' participation in the recently completed Kansas City casino-skimming trial had prevented them from settling their affairs in Milwaukee to provide continuing support for other family members. The brothers were acquitted in that case.

Glynn said 75 jobs were at stake in various Balistrieri business enterprises. Some of the ventures will be liquidated or reorganized, he said.

Joseph has been assigned to a federal prison in Florida and John to Texas. The brothers, sons of reputed Milwaukee organized-crime leader Frank P. Balistrieri, were convicted in 1984 on extortion charges.

DATE JANUARY 25, 1986

PUBLICATION THE MILWAUKEE JOURNAL

DCIR FILE NUMBER OC-1

COMMENTS RECEIVED FEB 1 1986

NEWSPAPER CLIPPING
DJ-DCI-43 (Rev. 7/79)

WISCONSIN DEPARTMENT OF JUSTICE
DIVISION OF CRIMINAL INVESTIGATION

Missing Balistrieri kin calls to say he's OK

After a monthlong disappearance, Leonard J. Drewek phoned his parents to say he was all right, but he would not say where he was, police said Friday. A missing person's bulletin for Drewek was canceled. Drewek, 42, of 1634 N. Jackson St., is the son-in-law of Peter Balistrieri. Peter Balistrieri is the brother of reputed Milwaukee organized crime boss Frank P. Balistrieri. Drewek, who works at a Kohl's II Food Store on Port Washington Rd., left for work Dec. 26, but never arrived.

DATE JANUARY 25, 1986

PUBLICATION MILWAUKEE SENTINEL

DCIR FILE NUMBER OC-1

COMMENTS RECEIVED FEB 1 1986

NEWSPAPER CLIPPING
DJ-DCI-43 (Rev. 7/79)

WISCONSIN DEPARTMENT OF JUSTICE
DIVISION OF CRIMINAL INVESTIGATION

Lawyer tells of mob work

Washington, D.C. — A former attorney for the Mafia who became an informant testified that 20 to 30 lawyers were involved in jury tampering, perjury before grand juries and corruption of public officials for organized crime in the New York City area.

Under heavy security while testifying before the President's Commission on Organized Crime, Martin Light recounted his 15 years as a mob attorney who was on call 24 hours a day for Mafia bosses in a non-stop campaign to subvert the criminal justice system in New York.

DATE	JANUARY 30, 1986	COMMENTS	RECEIVED FEB 1 1986
PUBLICATION	MILWAUKEE SENTINEL		
DCIR FILE NUMBER	OC-0		

NEWSPAPER CLIPPING
DJ-DCI-43 (Rev. 6/73)

WISCONSIN DEPARTMENT OF JUSTICE
DIVISION OF CRIMINAL INVESTIGATION

2 Balistrieris begin terms at prisons

By Michele Derus

Former attorneys Joseph P. Balistrieri and John J. Balistrieri arrived at their respective federal prisons Friday afternoon to begin serving 8-year sentences for extortion, the US Marshals Service reported.

The Balistrieris surrendered voluntarily rather than be transported by federal marshals, officials said.

Their arrival followed a flurry of unsuccessful attempts this week to delay their prison terms. Federal Judge Terence T. Evans of Milwaukee, who sentenced them, refused a series of motions to keep both brothers, and later just John, from having to begin their sentences now.

John J. Balistrieri, 37, is assigned to the La Tuna Federal Correctional Institution in Anthony, Texas. Joseph P. Balistrieri, 45, is assigned to the Federal Correctional Institution at Tallahassee, Fla.

Both prisons are considered medium-security. But federal officials said the Texas prison was known for its tough inmates, while the Florida prison had a more relaxed atmosphere.

Federal prisoners generally are eligible for parole after serving one-third of their sentences.

The Balistrieri brothers and their father, Frank P., 67, were convicted April 4, 1984, on extortion charges in connection with the attempted takeover of a Milwaukee vending machine business. The business was operated by an undercover FBI agent.

Frank P. Balistrieri, who the FBI says is Milwaukee's long-time organized crime boss, began serving his 13-year term immediately. He has been kept in solitary confinement much of the time as a safety precaution.

Balistrieri's sons, who surrendered their law licenses after being convicted, remained free while they appealed their cases.

The US Court of Appeals in Chicago upheld their convictions Nov. 20. They remained free to stand trial with their father and six other men in Kansas City, Mo., on charges of skimming untaxed profits from casinos in Las Vegas, Nev.

Frank P. Balistrieri pleaded guilty in the skimming case Dec. 31 and was sentenced to 10 years in prison, to be served concurrently with his Milwaukee sentence.

The Balistrieri sons were acquitted in Kansas City earlier this month. A jury later convicted five of their co-defendants.

Milw. Sentinel 2-1-86

COMMENTS: OC-1

DATE: 2-1-86
PUBLICATION: Milw. Sentinel

	O.C.	V.A.	S.A.	D.D.	A.T.	F.M.
COORDINATION:						

SUBMITTING UNIT: RECEIVED FEB 5 1986

CIIC FILE NUMBER:

NEWSPAPER CLIPPING
DJ-DCI-43 (Rev. 7/79)

WISCONSIN DEPARTMENT OF JUSTICE
DIVISION OF CRIMINAL INVESTIGATION

2 Balistrieris begin terms at prisons

Former attorneys Joseph P. Balistrieri and John J. Balistrieri arrived at their respective federal prisons Friday afternoon to begin serving 8-year sentences for extortion, the US Marshals Service reported.

The Balistrieris surrendered voluntarily rather than be transported by federal marshals, officials said.

Their arrival followed a flurry of unsuccessful attempts this week to delay their prison terms. Federal Judge Terence T. Evans of Milwaukee, who sentenced them, refused a series of motions to keep both brothers, and later just John, from having to begin their sentences now.

John J. Balistrieri, 37, is assigned to the La Tuna Federal Correctional Institution in Anthony, Texas. Joseph P. Balistrieri, 45, is assigned to the Federal Correctional Institution at Tallahassee, Fla.

Both prisons are considered medium-security. But federal officials said the Texas prison was known for its tough inmates, while the Florida prison had a more relaxed atmosphere.

Federal prisoners generally are eligible for parole after serving one-third of their sentences.

The Balistrieri brothers and their father, Frank P., 67, were convicted April 4, 1984, on extortion charges.

Frank P. Balistrieri, who the FBI says is Milwaukee's longtime organized crime boss, began serving his 13-year term immediately.

The sons remained free while they appealed their cases and stood trial with their father and six other men in Kansas City, Mo., on charges of skimming untaxed profits from casinos in Las Vegas, Nev.

Frank Balistrieri pleaded guilty in the skimming case Dec. 31 and was sentenced to 10 years in prison.

The Balistrieri sons were acquitted in Kansas City earlier this month.

RECEIVED FEB 6 1986

DATE *FEBRUARY 1, 1986*

PUBLICATION *THE MILWAUKEE JOURNAL*

DCIR FILE NUMBER *OC-1*

COMMENTS

NEWSPAPER CLIPPING
DJ-DCI-43 (Rev. 7/79)

WISCONSIN DEPARTMENT OF JUSTICE
DIVISION OF CRIMINAL INVESTIGATION

Affidavit says Balistrieri sought Las Vegas killing

By Mary Zahn

The murder of a Las Vegas man was approved by the leader of organized crime in Chicago at the request of Frank P. Balistrieri, according to an affidavit filed in January in Federal Court in Kansas City, Mo.

The affidavit by FBI agent Eugene Thomeczek states that Joseph J. Aiuppa, as boss of the Chicago mob, "has to personally approve any 'hit' (murder) involving LCN (La Cosa Nostra) members or LCN associates."

"Joseph Aiuppa has personally approved many murders in the Chicago . . . and Las Vegas . . . areas, including . . . Marty Buccieri, Las Vegas, who had been employed at various Las Vegas casinos," the affidavit states. "This murder was approved by Aiuppa upon the request of Frank P. Balistrieri."

H. Ernest Woodby, chief of the Milwaukee FBI office, said Thursday that Edward Anthony Buccieri, who was killed May 12, 1975, was the Marty Buccieri mentioned in the affidavit. He said "Marty" was a nickname.

Las Vegas Police Lt. John Conner said Buccieri had been shot and killed while getting into his car in the parking lot at Caesars Palace.

He said Buccieri, 53, had multiple gunshot wounds in the head and that the murder had not been solved. He said Buccieri had worked at Caesars Palace as a "pit boss" and was in charge of ensuring that gambling tables ran smoothly.

The affidavit was filed by federal prosecutors Jan. 21, along with motions in connection with the convictions of Aiuppa, 78, and John P. Cerone, 71, whom the government described as the boss and underboss, respectively, of organized crime in Chicago; Joseph Lombardo, 58, and Angelo La Pietra, both of Chicago; and Milton J. Rockman, 73, of Cleveland.

The five were convicted of skimming gambling proceeds from Las Vegas casinos.

The Chicago mob controls all mob activities "west of the Mississippi River," according to the affidavit.

Balistrieri, identified by federal authorities as Milwaukee's organized crime leader, pleaded guilty in Kansas City Dec. 31 to federal conspiracy and racketeering charges in connection with the skimming of nearly $2 million in profits from Las Vegas casinos.

He was sentenced to 10 years in prison and fined $20,000. The sentence is concurrent with a 13-year sentence on a 1984 Milwaukee conviction for extortion, gambling and tax violations.

Frank Balistrieri's sons, Joseph P. and John J., were acquitted in the Kansas City skimming trial. However, they are serving eight-year prison terms on 1984 extortion convictions in Milwaukee.

A FBI affidavit filed in Federal Court in Milwaukee after Frank Balistrieri's 1984 conviction included allegations that the elder Balistrieri was involved in the 1975 murder of August Maniaci, the 1978 murder of August Palmisano, the 1977 attempted murder of Vincent Maniaci and a death threat against an FBI agent. No charges have been issued in those cases.

Aiuppa, according to the affidavit, became the boss of the Chicago mob after his predecessor, Sam Giancana, was murdered.

"Giancana was disliked because he was taking more than 'his cut of the pie' and because he was promiscuous with other members' wives," the affidavit states. "Joey Aiuppa recommended the killing to members of the governing board of the Chicago family who approved it."

Besides approving the murder of Buccieri, the affidavit states, Aiuppa approved the murder of eight people whom the Chicago mob suspected of being involved in the burglary of Anthony J. Accardo's home.

Accardo, 80, has been identified by the Chicago Crime Commission as one of the top leaders in the Chicago mob.

Crime Commission authorities said Accardo was semiretired in Palm Springs, Calif., but remained a "senior counselor" with the Chicago mob.

According to the affidavit, the largest single source of income for the Chicago mob in the mid-1970s was off-track betting parlors, which netted them as much as $300,000 to $500,000 a month.

"Skim from Las Vegas casinos was the second-largest source of income, amounting to approximately $200,000 per month," the affidavit states.

"All the money collected by the Chicago LCN's funding activities was physically delivered to Joe Aiuppa by each LCN captain on a monthly basis, and Aiuppa himself 'cut' the money.

DATE FEBRUARY 7, 1986

PUBLICATION MILWAUKEE SENTINEL

DCIR FILE NUMBER OC-1

COMMENTS RECEIVED FEB 14 1986

"Even when LCN members were not involved in prostitution or narcotics, members leaned on pushers and pimps, forcing them to pay a tariff in order to operate. . . .

"The final decision when conflicts arise between the organized crime families within Chicago's territory is always made by the Chicago LCN boss, Joseph Aiuppa," the affidavit states.

RECEIVED FEB 1 4 1986

NEWSPAPER CLIPPING
DJ-DCI-43 (Rev. 7/79)

WISCONSIN DEPARTMENT OF JUSTICE
DIVISION OF CRIMINAL INVESTIGATION

Defendant called 'enforcer' for mob

By DAVID E. UMHOEFER
of The Journal staff

Chicago mobster Ken Eto, who is in federal protective custody, testified here Tuesday that a man facing a contempt sentence here is an enforcer for the Chicago mob, and Eto also said that Frank Balistrieri once told him he could not guarantee police protection for the Chicago mob if it set up business in Milwaukee.

At a sentencing hearing for John Monteleone, Eto, 66, admitted to his own participation in four killings related to efforts to protect his Chicago gambling operations. The hearing was before Judge Thomas J. Curran in Federal Court.

Monteleone, 62, was convicted in August of criminal contempt of court for refusing to testify before a 1983 grand jury investigating the activities of Frank Balistrieri.

Eto testified that he managed mob gambling operations in Chicago and Gary, Ind., for 35 years until his 1983 gambling conviction.

At one time in the late 1950s or early 1960s, Eto testified, he met with Frank Balistrieri in Milwaukee to discuss getting mob protection from police to set up a "Milwaukee office."

"Frank Balistrieri told me at the time that because of the conditions, he was not able to provide police protection," Eto testified.

Under cross-examination by defense attorney Louis Carbonaro, Eto admitted to participating in four killings in the late 1950s and early 1960s. He couldn't recall any of the names, he said, although he remembered that the victims were strangled, mutilated with a knife or shot.

Eto said he bought nightclubs, strip joints and a billiard parlor as "legitimate businesses" with his gambling take, which he testified was 10%. The outfit bankrolled the start-up costs and took 90% of the profits, he testified.

Eto testified that in the late 1950s, he and Monteleone participated in the beating of a man who was causing trouble at mob-run gambling houses. A 2-by-4 was used in the beating, Eto said.

In the late 1960s, Eto testified, Monteleone told Eto that he helped bomb the Chicago grocery store of a Puerto Rican man attempting to start up a bookmaking operation independent of Eto's.

In the late 1970s, Eto arranged to pay Monteleone $1,000 a month for what Monteleone described as protection from raids by the Chicago police vice squad, Eto testified. He recalled making one payment.

Monteleone's role in the Chicago outfit was as an "enforcer," Eto testified.

In February 1983, Eto testified, he was shot in the head three times by two mob associates.

Monteleone was known as "Johnny Apes" and worked under Angelo LaPietra, Eto testified. LaPietra was convicted last month in Kansas City in the casino-skimming trial in which Frank Balistrieri was convicted. Balistrieri's two sons, John and Joseph, were cleared of charges in that case.

Eto testified that he had been granted immunity from prosecution in exchange for truthful testimony. He is participating in the government's witness protection program.

Monteleone was held in civil contempt over his refusal to testify ir

DATE FEBRUARY 11, 1986

PUBLICATION THE MILWAUKEE JOURNAL

DCIR FILE NUMBER OC-1

COMMENTS RECEIVED FEB 17 1986

the Balistrieri case, and was held in the Waukesha County Jail for 11 weeks. In August, he was convicted of criminal contempt of court, and it is on that conviction the hearing was held Tuesday.

Monteleone was to be sentenced later Tuesday.

Ken Eto after a 1983 assassination attempt

NEWSPAPER CLIPPING
DJ-DCI-43 (Rev. 7/79)

WISCONSIN DEPARTMENT OF JUSTICE
DIVISION OF CRIMINAL INVESTIGATION

Reputed mob 'enforcer' gets 4 years

By DAVID E. UMHOEFER
of The Journal staff

John Monteleone, identified by a witness as an "enforcer" for the Chicago mob, was sentenced Tuesday to four years in prison for contempt of court.

Monteleone, 62, twice refused to testify in Milwaukee before a grand jury investigating the activities of Milwaukee mob boss Frank P. Balistrieri.

Authorities have said the grand jury also sought information on the shooting death of August Maniaci in 1975, the car-bomb murder of August Palmisano in 1978, and the attempted car-bombing in 1977 of Maniaci's brother, Vincent.

All three Milwaukee incidents were tied to organized crime, the government charges.

Monteleone was convicted in August of criminal contempt of court. Federal Judge Thomas J. Curran called his refusal to testify "an extremely serious attack on our judicial system." Curran made no mention of any mob ties, noting only that Monteleone had "contacts with people with unsavory standing in our community."

Prosecutor John Franke asked Curran to imprison Monteleone "as a participant in a system and an organization that commits murders and promotes murders . . . as part of its daily fare."

Franke said the four-year term might help break down the mob's "code of silence." Monteleone, he noted, had refused to testify in 1983 and 1984 even after being granted immunity from prosecution.

Monteleone's continued silence brought him 11 weeks in the Waukesha County jail on a 1983 civil contempt citation.

The sentencing hearing was held amid tight security surrounding Ken Eto, a former Chicago mobster who turned government witness in 1983 after surviving a botched murder attempt in which he took three point-blank shots to the head.

The two men who attempted the killing later were murdered, Eto testified at the hearing.

Spectators passed through a metal-detection device outside the courtroom. Eto, who has been granted immunity and given a new identity and place of residence, was led directly into the witness box through Curran's chambers.

Eto, 66, has testified against organized-crime figures in Kansas City and Chicago, and recently appeared before the President's Commission on Organized Crime wearing a bag over his head to conceal his identity, Franke said after Tuesday's hearing.

Franke defended the government's decision to grant Eto immunity from prosecution in four murders he has admitted to participating in during his 35 years managing Chicago gambling rackets.

His testimony has been "immensely helpful" in linking defendants to organized crime — in Monteleone's case, to alleged Chicago street boss Angelo LaPietra, among others, Franke said.

Monteleone will appeal the contempt of court conviction, Carbonaro said. Curran ordered Monteleone to surrender voluntarily in Milwaukee by March 3 or at a federal prison to be designated later.

DATE FEBRUARY 12, 1986

PUBLICATION THE MILWAUKEE JOURNAL

DCIR FILE NUMBER OC-1

COMMENTS RECEIVED FEB 17 1986

NEWSPAPER CLIPPING
DJ-DCI-43 (Rev. 7/79)

WISCONSIN DEPARTMENT OF JUSTICE
DIVISION OF CRIMINAL INVESTIGATION

Balistrieri seeks cut in his term

Faced with possible cancer and stricken with remorse over the estrangement of his two sons, Frank P. Balistrieri Wednesday implored a federal judge to reduce his prison term in a letter filed in Federal Court.

Balistrieri also professed his innocence but said he was "embarrassed and ashamed. I made mistakes and wrong judgments. Things that I could not see before now haunt me as glaring mistakes."

His letter said his 13-year term "is now tantamount to a death sentence."

The three-page letter, written to Judge Terence T. Evans, was filed with a brief written by Balistrieri's attorney, Glenn C. Reynolds, that included new medical information.

A doctor's analysis of tests said Balistrieri suffered from internal hemorrhaging and an iron deficiency, probably from malignant cancer of the colon.

Along with a reduced sentence, the brief asked that Balistrieri, 68, be transferred to a hospital for diagnosis and treatment.

Balistrieri is serving concurrent 13- and 10-year sentences in a federal prison in Lewisburg, Pa., for racketeering, extortion and gambling convictions in Kansas City and Milwaukee.

Balistrieri's letter also alluded to acid letters written about him by Joseph P. and John J. Balistrieri. In seeking reductions of their eight-year sentences, the two sons said their father was a manipulative and evil man whose mob ties led them to prison.

"With all of the punishment I have been given, it does not compare to that of losing the relationship with my sons, which was once one of idolatry, to one that now can never be regained, is punishment enough," the elder Balistrieri wrote.

DATE DECEMBER 11, 1986

PUBLICATION MILWAUKEE SENTINEL

DCIR FILE NUMBER OC-1

COMMENTS

NEWSPAPER CLIPPING
DJ-DCI-43 (Rev. 7/79)

WISCONSIN DEPARTMENT OF JUSTICE
DIVISION OF CRIMINAL INVESTIGATION

Is Balistrieris' break real?

Regardless of motive, attacks must be agonizing, friends say

By MEG KISSINGER
of The Journal staff

They were so self-assured. Cocky and arrogant, some said.

For years, Joseph and John Balistrieri scoffed at the government's claim that they helped their father run organized crime in Milwaukee, calling it "fiction" and "fantasy."

Now, 10 months into their eight-year prison terms for extortion, Joseph declares he was duped by his father, Frank, 68, the reputed head of organized crime in Milwaukee. In Joseph's 74-page letter to Federal Judge Terence T. Evans, he calls his father a "liar" whom he "despises."

Joseph, 46, blames his father for making his birth "a scandal" and his life "a reproach." John, 38, claims he and Joseph were dragged "kicking and screaming into this mess" by their father by way of "psychological abuse."

Their impassioned pleas, labeled "public blood-letting" by one of their acquaintances, have their friends and colleagues wondering: Are these claims genuine, or are the Balistrieri brothers disavowing their father simply to get out of prison sooner?

Either way, says William Burke, a lawyer who knows the family, the decision for the sons to publicly castigate their father must have been an agonizing one.

"Let's say this was the old man's idea. He tells them to break ties to gain sympathy," Burke said. "Their loyalty to their father was inveterate. Even in the most cynical, self-serving light, this public blood-letting had to be pure hell."

Says Philip Atinsky, a former law partner of Joseph's: "Believe me. It's sincere." The rift between Joseph and his father was "well known by many of his close friends," Atinsky said.

Peter Balistreri, a distant cousin and close friend of Joseph's, said there had been a rift between Frank and Joseph Balistrieri since Joseph was in high school back in the late 1950s. But tensions between the father and the son grew in 1978 when the FBI raided the Shorecrest Hotel and discovered $200,000 in a vault in the basement. Joseph denies knowing about the money, saying his father hid it there without his knowledge.

"That was the straw that broke the camel's back," Peter Balistreri said.

Michael Dries, a childhood friend of John's, said the brothers often confided to him that they wished

Joseph Balistrieri John Balistrieri Frank Balistrieri

DATE *DECEMBER 14, 1986*

PUBLICATION *THE MILWAUKEE JOURNAL*

DCIR FILE NUMBER *OC-1*

COMMENTS RECEIVED DEC 18 1986

their father would leave them alone.

"The notion that they were buddy-buddy with their dad is totally inaccurate," said Dries, who manages Snug's, the bar owned by the Balistrieri brothers. "In fact, nothing could be farther from the truth."

Dries, who has known John since 1963 when the two were students at Marquette University High School, said John often complained about his father even in those early days.

"John has been at a distance from his father for as long as I can remember," Dries said.

But others aren't so sure.

"Joey is an actor," a longtime friend said. "Could be that he is playing the penitent to the hilt."

Adds a former girlfriend: "He's a good B.S.er. There's no way to tell if he's telling the truth."

Joseph contends in his letter that he was not a "fawning disciple" of his father's, but appeared that way in public to avoid "open conflict with him." He called his conversations with his father "so much idle chatter, white noise."

But if Joseph's relationship with his father caused him agony, leaving him with "sick feelings," as he said in his letter to Evans, many of his friends never knew it.

"He never discussed his father," said Brad Carr, a lawyer who grew up in the same neighborhood as the Balistrieris.

Friends and acquaintances recall the many times Frank Balistrieri and his sons would be seen together in public, most often at Snug's. Often, they seemed to be laughing and joking, friends say. But those outings were not social, Joseph contends in his letter. Indeed, they were "pure hell," he said.

Dries says John would moan when he saw his father walking into the bar. Frank Balistrieri "delighted in public confrontations with me," Joseph wrote. "I cannot describe for you the sick feelings with which I would always come away from these encounters."

The "incessant bickerings" between him and his father caused him to stop visiting his mother on Sundays for the traditional family meal, Joseph wrote. Gradually, he avoided other family gatherings such as Thanksgiving and Christmas "because our mutual presence would ultimately and inevitably lead to an occasion-spoiling, bitter argument between us."

And if he was financially strapped by his father, as Joseph claims in his letter, his friends did not know that either. Joseph says that his financial support of his parents and sisters and their husbands left him nearly broke, that he had to take out a loan for $200,000 at "an exorbitant interest rate." But friends note that he drove a Rolls Royce, wore $500 suits imported from Italy, threw lavish dinner parties and occasionally flew to New York and Italy to see his favorite operas.

Joseph denies that his father ever helped him financially. But one friend and fellow lawyer notes: "While we were busting our tails trying to get any fender-bender or two-bit small claims case there was, Joe was coming through with some biggies. I don't think it was any coincidence that these cases were from people who owed his father something."

Joseph's emotional ramblings in his 74-page letter have his friends worried.

"I'm frightened for him," a former girlfriend said. "It sounds to me like a person who is at the end of his rope."

Joseph always seemed so bright and capable, a connoisseur of fine arts and the master of the English language, his colleagues say. His letter to Evans is so fraught with obscure words and literary references that the US attorney's office prepared a glossary to more easily understand it.

Friends say it pains them to read Joseph's letter in which he refers to himself as "the dupe, the patsy, the ultimate flunky, the archetypal gofer, the big dope."

"Joe Balistrieri is a bright, well-educated man," said Paul Sicula, another of Joseph's former law partners.

Nancy Phelps, a lawyer who knew Joseph well early in his legal career, said she saw the brothers on an airplane during the time of their extortion trial in Kansas City last year and that Joseph seemed depressed.

"He said the last couple of years had been very hard for him," Phelps said.

Phelps remembers Joseph as a young lawyer who was "so talented, so full of potential."

"He was proud and doing well," she said. "He was just enjoying himself being a lawyer. I always thought he could have made it really big someday."

But gradually over the years, he was seen less and less around the Courthouse, Phelps said.

"It was as though he was being sucked away from his own life," she said.

Joseph and John, who also was a lawyer, were disbarred earlier this year.

John, who wrote to Evans that he always tried to play the peacemaker between Joseph and their father, is doing well in prison, said Debbie Becker, his fiancee of six years.

"He's keeping his sense of humor," said Becker, who visits John at the federal penitentiary in Anthony, Texas, nearly every month. Joseph is imprisoned at a federal penitentiary in Tallahassee, Fla.

But keeping John's spirits high is increasingly difficult with his first Christmas in prison approaching, Becker said.

"This Christmas is going to be very hard on us all. It will be hell on Mrs. Bal," Becker said. "They used to have some pretty wonderful Christmases in that house. Can you imagine the agony that family has been through?"

RECEIVED DEC 1 2 1986

NEWSPAPER CLIPPING
DJ-DCI-43 (Rev. 7/79)

WISCONSIN DEPARTMENT OF JUSTICE
DIVISION OF CRIMINAL INVESTIGATION

Official urges no cut in Balistrieri's term

By Ken Wysocky

Frank P. Balistrieri's plea for a reduced prison term should be denied because his health is stable and prison medical facilities are adequate for his needs, despite claims to the contrary, a federal prosecutor said Tuesday.

The recommendation was made in a brief filed in Federal Court.

It includes comments from a prison physician who refuted claims that Balistrieri's health has dramatically deteriorated and that prison facilities cannot meet his medical needs.

The brief said that Paolo DePetrillo, a prison doctor who tends to Balistrieri, "vigorously disagrees" with the statement in a defense brief that Balistrieri's health has "deteriorated so dramatically that he now faces numerous life-threatening medical crises which cannot be managed effectively in prison."

The new brief concluded that "there are many prisoners in his (DePetrillo's) care in far more serious condition than the defendant, and that the prison system is fully capable of treating the defendant's medical problems."

John Franke, head of the Milwaukee office of the US Justice Department Organized Crime Strike Force, filed the brief in response to briefs and affidavits filed almost two weeks ago by Balistrieri and his attorney, Glenn C. Reynolds.

That thick packet of legal documents — which included a three-page letter from Balistrieri to Federal Judge Terence T. Evans — were supplements to motions seeking a reduction in Balistrieri's 13-year sentence on sports bookmaking and extortion convictions in 1983 and 1984 in Milwaukee.

Evans has not ruled on the motion.

Balistrieri, 68, has been cited by federal officials as the head of organized crime in Milwaukee. He also is serving a concurrent 10-year sentence on a Kansas City racketeering conviction stemming from the skimming of profits from Las Vegas casinos.

The brief filed by Reynolds contained an affidavit from a Madison doctor who said Balistrieri suffers from internal hemorrhaging and an iron deficiency, probably from malignant cancer of the colon. That diagnosis, made from a review of Balistrieri's medical records, allegedly makes his prison term tantamount to a death sentence, especially without proper medical care.

In response, Franke wrote:

"There is no material dispute about the particulars of defendant's medical difficulties, however, we vigorously dispute the defendant's assertion that the prison medical system is unable to properly care for the defendant."

DePetrillo agreed that cancer of the right colon was a possibility, based on Balistrieri's symptoms, but noted that his refusal to allow certain medical tests to be taken "precludes an intelligent diagnosis."

DATE December 24, 1986

PUBLICATION Milwaukee Sentinel

DCIR FILE NUMBER OC-1

COMMENTS

RECEIVED JAN 14 1987

NEWSPAPER CLIPPING
DJ-DCI-43 (Rev. 7/79)

WISCONSIN DEPARTMENT OF JUSTICE
DIVISION OF CRIMINAL INVESTIGATION

Sins of the father, sins of the sons

Despite intelligence, Balistrieris didn't escape their legacy

By MEG KISSINGER
of The Journal staff

They had it all.

Wit and good health. Intelligence and good looks. Charm and culture.

By all accounts, the Balistrieri brothers, Joseph, 45, and John, 37, had everything they needed to build happy, successful lives.

Some thought that John, with his penchant for hard work and ability to understand complex financial formulas, would be the head of a lucrative business by now, and that Joe, with his legal scholarship and gregarious manner, might even be a judge.

Today they are convicted felons, serving the first year of their eight-year sentences for extortion; Joe at a federal penitentiary in Tallahassee, Fla., and John at Anthony, Texas.

"We've set seven wedding dates. I've had three different wedding gowns. Everytime we set a date, John gets indicted."
— **Debbie Becker**

Some say it was inevitable, that their sentences really were imposed decades ago when the two were born to Frank Balistrieri, the 67-year-old reputed head of organized crime in Milwaukee who is serving a 13-year sentence for extortion in a federal prison in Lewisburg, Pa.

"John always said to me that someday he would have to pay for being Frank Balistrieri's son," said Debbie Becker, John's fiancee of six years.

And now John's troubles have taken their toll on her too, she said.

In the past six years "we've set seven wedding dates," she said. "I've had three different wedding gowns. Every time we set a date, John gets indicted."

And yet, the Balistrieri brothers are adults with free wills. As Joe himself said at the time of his extortion trial 2½ years ago:

"I'll take [my father's] advice, but I'm my own man."

Was it fate, like the biblical proverb of Absalom in which the sins of the father were destined to be visited on the sons? Or could Joe and John have gone their own ways? Friends, relatives and those connected with the case disagree on the answers to those questions. They lament what has become of the two talented lawyers.

"I don't want to get maudlin here," Federal Judge Terence T. Evans said the day he sentenced John and Joe, "but it is absolutely tragic that someone with the abilities of Joseph Balistrieri is here today."

As children growing up in Milwaukee, Joe and John were stars, excellent students, accomplished athletes, popular — particularly Joe who was an exceptional sprinter in high school.

Frank Kopenski, former track coach at Marquette University High School, remembered Joe, a 100-yard dash man, as a hard-working athlete with a good competitive attitude. "He liked to win," Kopenski said.

Joe continued his track career in college at the University of Notre Dame, and even ran in a meet against Evans, who then ran for Marquette University.

DATE APRIL 20, 1986

PUBLICATION THE MILWAUKEE JOURNAL

DCIR FILE NUMBER OC-1

COMMENTS RECEIVED MAY 14 1986

Prison inevitable, some say

Evans recalled how after the meet, Joe gave him a tour of the campus.

In school, the Balistrieri boys surrounded themselves with other popular, well-mannered students.

The family lived at 1417 N. Humboldt Ave., and later moved to a large, tan brick home at 3043 N. Shepard Ave. where Antonia Balistrieri, Frank Balistrieri's wife, still lives. Joe is the oldest child, followed by a daughter, Benedetta, then John, then Kathy.

At home, the children were taught respect, friends recall.

"They were very polite," said Richard Conforti, a Milwaukee businessman who was a close friend of Joe's in high school.

While their mother served as the disciplinarian, the children were raised in a patriarchal society, typical of Sicilian families, a tradition in which the father rules with total authority and the family is the root of everything in life, Joe testified at his trial.

"In my family, you are not an Adam," he said. "You are connected to other people." Devotion to their father was unflagging, Joe said.

Joe and John were fiercely proud of their heritage, friends said. Even as children, they scorned police and praised Mafia folk heroes.

Bill Cary, a high school and college friend of Joe's and now a sports editor in Fond du Lac, recalled the day his father came to visit at Notre Dame. Cary's father gave Joe a copy of a story about Al Capone. Joe glanced at it, puffed out his chest and said:

"Capone was all right. He gave to the church."

Both Joe and John were deeply religious as children. They often attended mass on weekdays as well as Sundays. Joe attended grade school at St. Rita's. John went to the University School. Both attended Marquette University High School; Joe graduated in 1958, John in 1966. In high school, both were members of Sodality, an organization dedicated to strengthening religious conviction by prayer and ministry to the needy.

In college, Joe frequently visited the Grotto, a religious shrine where students at Notre Dame often went to pray, Cary said.

Friends recalled that John marched against the Vietnam War while a student at the University of Wisconsin — Madison.

"They were a close-knit family," Conforti recalled. "My last vision of Frank is sitting in the living room chair with his young daughter on his lap, reading a story."

Both boys had after-school jobs in high school. Joe recalled in court that he began working when he was 12 or 13 as a bus boy at his uncle's restaurant, Alioto's Spaghetti House. Later he was a waiter, drove a truck, was a pizza cook and worked on jukeboxes.

But despite the wholesome appearance, life at the Balistrieris was not all after-dinner prayers and bedtime stories.

By the time Joe was in high school, Frank already had been identified in some circles as the head of organized crime in Milwaukee.

"We all knew what his dad was," Conforti said.

Said Evans at the time of sentencing:

"No one could have grown up in Milwaukee, lived here all their lives as I have, and not have heard many things about him, read many things about him."

Though his friends stayed by his side, "I'm sure there were some young ladies whose parents said they could not go out with Joe Balistrieri because of who his father was," Conforti said.

While other Marquette High School students were proud to be the sons of judges and doctors and lawyers, the Balistrieris lived with their father's notoriety, particularly the days after his picture would appear on the front pages of the newspapers.

But for all the disadvantages of being the son of a Mafia boss, there were rewards.

When Joe graduated from high school, his father threw a lavish party for him at Gallagher's Restaurant, a former Downtown nightspot controlled by Balistrieri.

"We knew that it was somewhat less than reputable, but we took advantage of it anyway," a friend recalled. "I guess that was part of the hypocrisy of youth."

It wasn't too long before Joe realized that he could stay out later than his friends.

"He just had to make sure he got home before the old man, which was not too early," another friend remembered.

In the back of their minds, Joe's friends knew that someday he'd end up in his father's business, Cary said.

"It was a way of life for them," Cary said. "Just like the Kennedy family, only they are considered respectable because they are Irish and rich."

Joe's big mistake, his friends said, was becoming a lawyer.

"If he would have been a doctor, he never would have gotten into this jam," Cary said.

But Frank Balistrieri wanted his sons to study law. After graduating from the University of Wisconsin Law School in 1965, Joe moved back home with his parents and set up shop at his mother's kitchen table, taking a few small claims cases here and a couple of accident cases there.

By the time John got his law degree from Valparaiso University in Indiana in 1973, Joe had established himself in Milwaukee's legal circles and had managed to buy some real estate Downtown.

The two formed a partnership with Joe handling the trial work and John taking on the business responsibilities.

They obtained the Shorecrest Hotel on Prospect Ave., valued at $1 million, and named the hotel restaurant Snug's after a character from William Shakespeare's comedy "A Midsummer Night's Dream."

After a while, they moved their law offices to the hotel. Their father became their most important client.

If the strain of being the children of Milwaukee's mafia boss was wearing them down, it didn't show to their friends. They wore $500 suits, drove expensive imported cars — Joe drove a Rolls-Royce, John a Mercedes — and they hosted elegant dinner parties attended by judges, prosecutors and prominent businessmen.

Joe was known as an opera buff and antique collector.

"His apartment was not elegant," a former girlfriend said. "It was opulent. Complete with a wall of gold mirror tiles."

Friends and associates praised him for his wit, intelligence and flamboyance.

"He's one of the funniest men I know," said a female attorney and longtime friend. "He should have changed his name and moved to Hollywood to be a stand-up comedian."

Even Evans took pause before sentencing Joe to say, "Quite possibly, he is the smartest man, I should say person, in this room."

Joe earned a reputation as a ladies' man. He joked at his trial that having attended an all-male high school and college gave him "a deep and abiding appreciation of the opposite sex."

But friends suspected that he never recovered from the tragedy of Carmencita Elicia Perez, a convent-schooled woman from Puerto Rico he met while on vacation there in 1970. They were to be married, but she was killed in a plane crash that year while on her way home from visiting Joe in Milwaukee.

Joe named his real estate company after her.

John, on the other hand, is described as serious, gruff, sometimes huffy and pouting. Those close to their criminal case say that, while Joe tried to be successful on his own, John relished his ties to his father's business.

And John is more a one-woman man, friends said. "He's true to me," said his fiancee. "I know he's a good man, a good, honest man. He doesn't deserve the jacket he's wearing. He's not a mug. I wouldn't be with a mug."

John met Debbie Becker nine years ago while she was working as a receptionist at a hair salon owned by his brother-in-law.

"It was love at first sight," Becker said.

As the years passed, the brothers became increasingly involved in their father's business activities, in defending him and in offering him legal counsel.

Transcripts of wiretapped conversations between them show that the two privately talked like their father. In public, Joe was known for his repartee and impressive vocabulary. But on tape, he referred to his father's rivals as "stoolies," and talked about "heat" and people "getting hit." He laced his conversations with vulgarities, racial slurs, improper grammar.

"His apartment was not elegant. It was opulent."

— Friend of Joe

Citing the influence Frank Balistrieri had on his children, one friend recalled a picture that hung in the apartment of one his daughters. It was of the wedding scene from "The Godfather," the movie epic about the Mafia. On the coffee table was a picture of Frank Balistrieri being escorted to prison.

"It was almost like a joke," the friend said.

Despite the convictions, Joe and John maintain their innocence. Both declined to be interviewed for this story.

Their mother said the ordeal has "put a sword through my heart." She blamed the media for creating her family's problems.

"My heart is breaking," she said, sobbing.

She is not allowed to call her sons but, occasionally, they call her. And when they do, it's like someone is "opening the gates of heaven," she said.

"I have two children in prison. Not one. Two," she said. "It is very hard for me."

The Balistrieris began their eight-year prison terms on Jan. 31. Federal prisoners generally are eligible for parole after serving one-third of their sentences.

Becker said she talked to John a couple of times a week and he seemed to be doing "real well." She is planning to visit him at his prison in Texas this week.

"John's a fighter," she said. "He takes one day at a time. It's something he's learned over the years. He's had to. He's been fighting all his life."

Could they have escaped their father's fate?

Friends doubt it. They said that over the years, the two Balistrieris gradually became more like their father. They tried less and less to hide their affiliation with him.

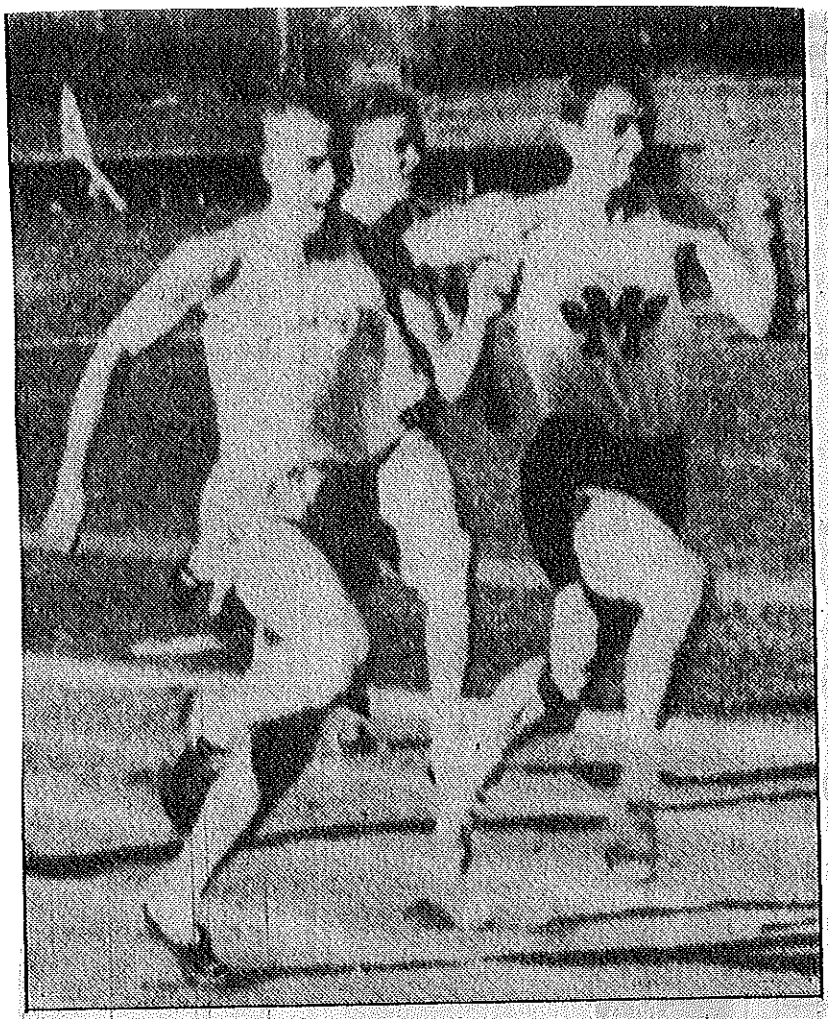
They had their chance to break away and they blew it, Joe told John in a conversation the FBI wiretapped in March 1980:

"The sum and substance of it is now, brother John, that . . . any hope of being legitimate is automatically erased. You might as well get that into your mind now. The time to make our move was in 1975 when we were absolutely clean. . . . Now, from this time now, it's impossible for us to ever achieve any type of legitmacy and that's something he's gonna have to swallow . . . now it's too late because we had to do it his goddamn way."

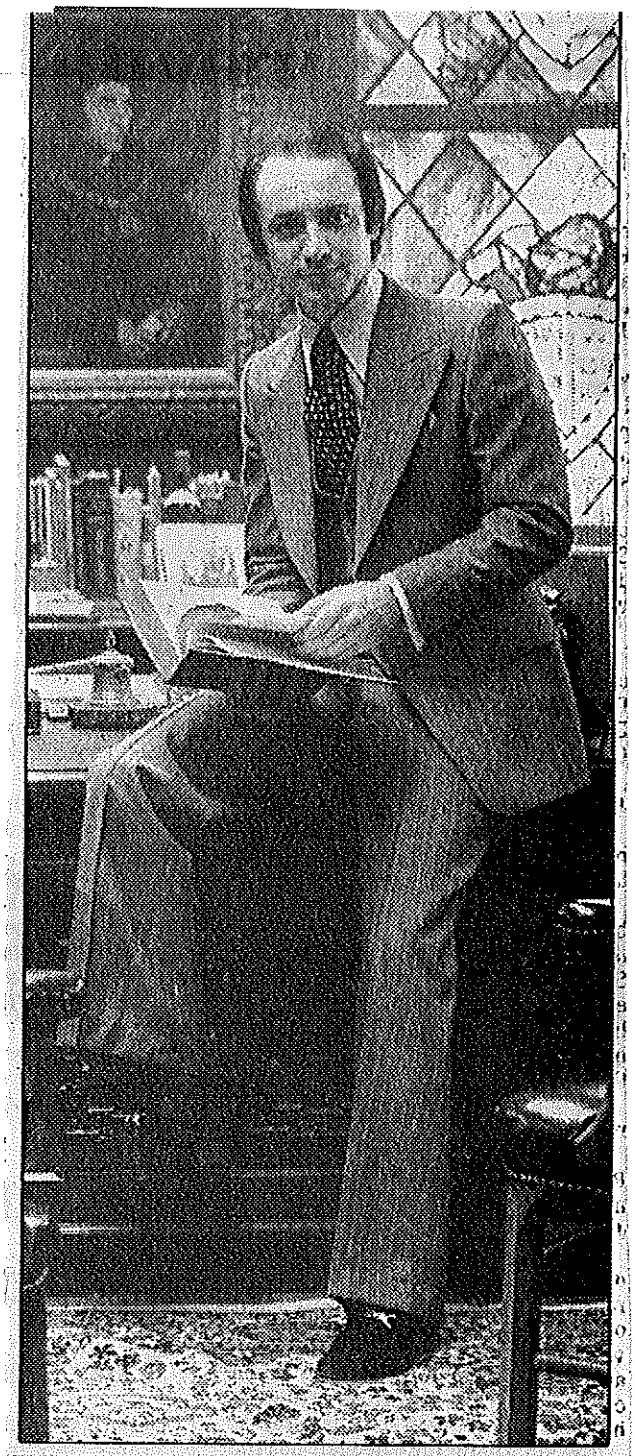
They listened to their father, Joe said, and "we were absolutely corrupted."

Joe Balistrieri as he appeared in his 1958 high school yearbook

John Balistrieri as he appeared in his 1966 high school yearbook



High schooler Joe Balistrieri (right) in the 100-yard dash



Journal photo

Joe Balistrieri in his law office in 1976

Journal photo

Brothers John (left) and Joe Balistrieri in a 1981 photo

NEWSPAPER CLIPPING
DJ-DCI-43 (Rev. 7/79)

WISCONSIN DEPARTMENT OF JUSTICE
DIVISION OF CRIMINAL INVESTIGATION

Bid for Balistrieri

Judge asked to halve sentence because of illness

Frank P. Balistrieri's health is deteriorating and he will die in a Pennsylvania prison unless his 13-year sentence is cut in half, Balistrieri's attorney contended Wednesday.

Madison lawyer Glenn C. Reynolds filed a motion with Federal Judge Terence T. Evans to reduce the sentence and transfer Balistrieri to a minimum-security federal prison in Lexington, Ky.

Reynolds, citing prison medical records, said Balistrieri had been diagnosed in 1985 as suffering lung problems, hardening of the arteries, arthritis and other problems.

He said, however, that he had little current information on Balistrieri's condition. He is seeking records from the US Bureau of Prisons.

Balistrieri, 67, is imprisoned at a maximum-security prison in Lewisburg, Pa.

John Franke, an attorney with the Justice Department's Organized Crime Strike Force in Milwaukee, said he had not seen Reynolds' motion but would likely oppose it.

Balistrieri, identified by federal authorities as the boss of organized crime in Milwaukee, is serving concurrent 13-year sentences on 1983 and 1984 convictions for extortion and sports bookmaking. In a separate case, he is serving a concurrent 10-year term for his conviction in January in Kansas City for skimming gambling receipts from Las Vegas casinos.

The Lewisburg prison is a maximum-security prison, even though Balistrieri is classified as a medium-security prisoner, Reynolds contended.

DATE MAY 14, 1986

PUBLICATION THE MILWAUKEE JOURNAL

DCIR FILE NUMBER OC-/

COMMENTS RECEIVED MAY 20 1986

NEWSPAPER CLIPPING
DJ-DCI-43 (Rev. 7/79)

WISCONSIN DEPARTMENT OF JUSTICE
DIVISION OF CRIMINAL INVESTIGATION

Balistrieri brothers lose law licenses

The State Supreme Court has revoked the law licenses of John and Joseph Balistrieri.

The court also ordered that the Balistrieri brothers pay to the Board of Attorneys Professional Responsibility within 90 days the costs of their disciplinary proceedings.

In September 1984, the Balistrieris stipulated that if their convictions on extortion charges became final, they would agree to have their licenses revoked.

The two are the sons of Frank P. Balistrieri, who headed organized crime in Milwaukee until he went to prison in 1984. They have each served about one year of eight-year sentences for extortion convictions involving efforts to take over a vending machine business.

DATE JANUARY 25, 1987

PUBLICATION THE MILWAUKEE JOURNAL

DCIR FILE NUMBER OC-0

COMMENTS

RECEIVED JAN 28 1987

NEWSPAPER CLIPPING
DJ-DCI-43 (Rev. 7/79)

WISCONSIN DEPARTMENT OF JUSTICE
DIVISION OF CRIMINAL INVESTIGATION

FBI forcibly get prints of alleged mob figure

FBI agents forcibly obtained palm prints Thursday afternoon from Steven J. Di Salvo, a former Milwaukee man convicted in 1983 of running a gambling operation for Frank P. Balistrieri, an FBI spokesman said.

Di Salvo's prints reportedly are needed for a federal grand jury investigation into the 1963 death of a Kenosha jukebox vendor, a source told The Milwaukee Sentinel last October.

The procedure took about 15 minutes and restraints were used. No injuries were sustained, the spokesman said. He declined to elaborate on the type of restraints used.

Federal Judge John W. Reynolds earlier this month authorized using whatever force or restraints were necessary to obtain Di Salvo's palm prints. Di Salvo was brought to Milwaukee last April to testify before a federal grand jury.

Reynolds cited him for civil contempt of court after Di Salvo resisted a court order telling him to give his prints to authorities.

Di Salvo has been identified by federal authorities as second-in-command to Balistrieri, 68, in Milwaukee's mob underworld. Balistrieri is serving concurrent 10- and 13-year sentences for convictions on extortion, racketeering and gambling charges.

Di Salvo, 68, is serving an eight-year prison sentence at the Federal Correctional Institution in Texarkana, Texas. He has been held by Milwaukee authorities since April 1985, and his time spent in jail here does not count toward his prison sentence. He is expected to be transferred back to Texarkana by the end of this week.

The grand jury allegedly is investigating the death of Anthony J. Biernat, whose body was found in a shallow grave in the basement of a vacant house on the former Bong Air Force Base grounds. Biernat, 46, was the owner of the Lakeside Music Co. He was abducted by three men Jan. 7, 1963, at the North Shore railroad depot in Kenosha and beaten to death.

DATE FEBRUARY 20, 1987

PUBLICATION MILWAUKEE SENTINEL

DCIR FILE NUMBER OC-1

COMMENTS RECEIVED FEB 27 1987

NEWSPAPER CLIPPING
DJ-DCI-43 (Rev. 7/79)

WISCONSIN DEPARTMENT OF JUSTICE
DIVISION OF CRIMINAL INVESTIGATION

Judge refuses to reconsider on Balistrieri

Federal Judge Terence T. Evans declined Thursday to reconsider his May 6 decision denying Milwaukee organized-crime boss Frank P. Balistrieri's request for a reduced sentence.

Evans said he had nothing to add to his order in responding to a letter from Glenn C. Reynolds, Balistrieri's lawyer. Reynolds also sought to have Balistrieri, 68, transferred to a minimum-security federal medical center in Lexington, Ky.

Balistrieri is serving concurrent 10- and 13-year sentences on convictions for sports bookmaking, extortion and skimming of Las Vegas casino gambling profits. He is housed at the federal prison near Lewisburg, Pa., and has a mandatory release date of Aug. 9, 1992.

The judge also made public three letters in which Balistrieri pleaded with his prison doctor not to send him to the prison medical center in Springfield, Mo. Balistrieri said he feared he would be put in solitary confinement there, as he was on a previous visit.

Balistrieri repeated the list of medical problems he contends are causing him torture and agony — arthritis, stomach ailments, a hernia — and made several references to life after death.

To stop his transfer to Springfield, Balistrieri on April 13 signed a form releasing prison officials from liability in the event of his death. In it he acknowledged that by staying at Lewisburg and forgoing certain medical tests he was placing himself at a "higher risk of death from an undiagnosed intestinal cancer, or other problem which could result in death from bleeding."

In opposing Reynolds' reconsideration request, Mark J. Vogel, a lawyer with the Justice Department's Organized Crime Strike Force, said that Balistrieri was "at best a very difficult prisoner to deal with."

DATE MAY 22, 1987

PUBLICATION THE MILWAUKEE JOURNAL

DCIR FILE NUMBER OC- 1

COMMENTS

rejection of Frank Balistrieri's bid for a reduction in a 13-year sentence that probably will confine him to a Pennsylvania prison cell until August 1992. The elder Balistrieri, who turned 69 Wednesday, also had written to Evans, contending that failing health would ensure his death in prison. He is serving time on the same extortion conviction that sent his sons to prison, as well as convictions for sports bookmaking in Milwaukee and, from the Kansas City trial, skimming Las Vegas casino profits.

Antonina Balistrieri, the mother of John and Joseph, said Thursday that the news that her sons' prison terms had been cut was an answer to her prayers. Her voice shaking with emotion, she said she was thankful for the judge's action but added that she wished she could see her sons "walking through the door."

"I hoped and prayed I could have seen them released," she said. "They are good sons and good men."

Former federal prosecutor John Franke, who prosecuted the brothers for the Justice Department's Organized Crime Strike Force, said he wanted to review Evans' decision before commenting on it in detail.

"But I'm confident that we much prefer the first sentences," said Franke, who starts a term as a circuit judge in August.

While partially answering the brothers' pleas for leniency, Evans denied their request for immediate release and strongly rejected their repeated claims of innocence.

John and Joe "did [Frank's] bidding" and acted as "facilitators for their father, that is, they snuggled too close to him," Evans wrote.

He referred specifically to the 1984 extortion case, in which the three Balistrieris were convicted of trying to take over a dummy vending-machine company run by Gail Cobb, an undercover FBI agent.

He rejected Joseph Balistrieri's contention that "mob talk" by his father — captured on secret FBI tapes — was make-believe or a fairy tale.

"After having listened to hundreds of taped conversations, I believe that Frank is more than merely an aging actor immersed in a world of make-believe. I believe . . . that he tried to muscle Cobb with both veiled and not-so veiled 'mob' threats," Evans wrote.

"John and Joe played a part in knowingly assisting Frank toward his goal. The fact that they do not acknowledge this or, more sadly, don't see it, is a testament to the blurred vision that can infect one who has had a lifetime of overexposure to Frank Balistrieri.

"Joseph is no doubt correct when he writes that Frank took delight in his 'godfather' image, but is it believable that it was only image, not reality?" Evans wrote. "In a business which owes its existence in part to fear and intimidation, perception is an important part of reality."

Calling it all a fairy tale is "asking me to swallow too big a pill."

"As Dorothy might say, 'Toto, this doesn't look like Kansas,'" Evans wrote.

Evans said he had not given any consideration to the brothers' claims of innocence.

"I believe they believe that they are," he said, "but on this point I think their perceptions are clouded."

Similarly, Evans said he was not influenced by the more than 100 letters he received, including some from prominent Milwaukee lawyers, businessmen, labor and religious leaders lauding the brothers, especially Joseph, as bright, honest and personable.

Other writers called the brothers "mobsters," urged him to stick to his guns and argued that the brothers should "die in prison," Evans noted. The writers in either case often had preconceptions and lacked knowledge about the facts of the case, he said.

John Balistrieri

Joseph Balistrieri

Terence T. Evans

NEWSPAPER CLIPPING
DJ-DCI-43 (Rev. 7/79)

WISCONSIN DEPARTMENT OF JUSTICE
DIVISION OF CRIMINAL INVESTIGATION

Balistrieri sons' terms cut

Letters convinced judge they had disowned their father

By DAVID E. UMHOEFER
of The Journal staff

Federal Judge Terence T. Evans cut three years off the prison terms of John and Joseph Balistrieri Thursday, calling the brothers' public bloodletting with their father evidence of an "irrevocable parting of the ways" with the imprisoned mob boss.

Evans said that, based on parole eligibility guidelines, his ruling actually reduced the Balistrieris' terms by two years, moving up their anticipated release from federal prison from the spring of 1991 to the spring of 1989.

It is possible that the brothers could be released as early as January 1988, depending on action by parole commissioners, said Trudi Schmitt, acting chief of the federal probation office in Milwaukee.

Stephen Glynn, John Balistrieri's lawyer, called the odds of that good, but Schmitt said the organized-crime link in the case made the 1989 release more likely.

Evans' decision makes the brothers eligible to apply for parole this September. Schmitt said, however, that release at that time was "nearly inconceivable."

The brothers, both former lawyers, have served 16 months on identical eight-year terms for 1984 extortion convictions that stemmed from an FBI sting operation.

In cutting the sentences, Evans relied in part on two emotional letters in which both brothers pleaded directly with the judge for mercy and bitterly attacked their father, Frank Balistrieri, as an "evil force" who dragged them down.

"He has done little for us except visit evil upon us," Joseph Balistrieri said of his father in a 74-page letter to Evans. "He has made our births a scandal; he has made our lives a reproach. All we ever did for him was good. Whether it does my light any good or not, I now blow out his candle.

"I feel strongly that you gave me such a severe sentence because it was based on your impressions that I was close to the man .... You could not be more mistaken," he wrote.

He ended with a personal plea: "Judge, you cannot look into my face without seeing something of yourself there. We are not all that different. With but the slightest adjustments and nuances of fate, our roles might have been reversed .... I give you my word that I will never give you occasion to regret [my release]."

In an 11-page letter to the judge, John Balistrieri said he and his brother were guilty by association, "dragged kicking and screaming into this mess" by their father, a man to whom "truth was as alien as earrings are to a pig."

Evans said he viewed the letters with suspicion given the circumstances, but called them "remarkable" in their painful revelations about personal squabbles with Frank Balistrieri, the reputed chief of the Milwaukee Mafia for nearly 25 years.

"The letters demonstrate what I sense is an irrevocable parting of the ways of the sons with their father," Evans wrote in his ruling. "This event alone, had it occurred 10 years ago, would have spared the sons from their ordeal.

"This development is a new factor deserving of my consideration," he said.

The judge's 12-page ruling listed three other factors in the reduction of the sentences:

- The loss of the brothers' cherished law licenses was painful and "probably did not receive from me at sentencing [in 1984] the kind of weight it deserved," Evans said.
- The brothers good behavior while doing "hard time" at federal prisons so distant that visits from friends and loved ones were difficult. John, 38, is in a prison in Anthony, Texas, while Joseph, 46, is imprisoned in Tallahassee, Fla. They began their terms on Jan. 31, 1986, after exhausting all appeals.
- The stress of a traumatic and highly publicized trial in Kansas City that ended with the brothers' acquittal Jan. 5, 1986. Joseph and John had been accused of conspiring with underworld bosses, including their father, to skim pre-tax profits from a Las Vegas casino.

The ruling followed Evans' May 6

DATE MAY 28, 1987

PUBLICATION THE MILWAUKEE JOURNAL

DCIR FILE NUMBER OC-1

COMMENTS RECEIVED JUN 3 1987

NEWSPAPER CLIPPING
DJ-DCI-43 (Rev. 7/79)

WISCONSIN DEPARTMENT OF JUSTICE
DIVISION OF CRIMINAL INVESTIGATION

Anti-crime group criticizes reduction in Balistrieri terms

By Mike Christopulos

Federal Judge Terence T. Evans' decision to reduce Joseph and John Balistrieri's prison terms sent the wrong message to organized crime and sullied Milwaukee's good reputation, the executive director of the Chicago Crime Commission said Friday.

The commission is a private, nonprofit group that fights crime.

"He (Evans) is sending the opposite message to organized crime that he should be sending," said Patrick Healy. "Milwaukee enjoys a fine reputation and isn't known as an organized crime haven, but I think that type of reduction sullies it."

The brothers, both of whom are lawyers, are sons of Frank P. Balistrieri, who has been identified in legal documents as the leader of organized crime in Milwaukee.

Evans' recent reduction of the Balistrieris' terms from eight years to five years won't "encourage crime," Healy said. "But I think what it does is send this message:

"After we catch you, convict you and if you are an organized crime figure, it puts in doubt whether you are really going to get the penalty you deserved."

Healy said he didn't "want to read anything sinister or improper" into Evans' decision, "but I'm disappointed and think they warranted the sentence they got originally. "I come from the school of thought that if you are going to fight organized crime, you'd better fight it."

Healy said Evans' decision puzzled him. He said he could understand a government motion to reduce a sentence "when a felon doing heavy time comes in and says, 'I want to trade some information for heavy time.' But what did government and society get out of this?"

Frank Balistrieri, 69, is at a federal prison in Pennsylvania serving a 13-year sentence for extortion, illegal sports bookmaking and skimming of profits from a Las Vegas casino.

Joseph and John were convicted of taking part in 1984 extortion activities that also involved their father.

Healy said he was sure the government had a "very strong case."

"I'm sure the message they were trying to send to a community that is relatively free of organized crime is that 'We want to keep it free.'"

Evans could not be reached for comment on Healy's remarks.

In cutting the brothers' terms, Evans said his decision was based partly on the fact that arranging visits from friends and loved ones was difficult. John, 38, is imprisoned in Anthony, Texas, while Joseph, 46, is imprisoned in Tallahassee, Fla. They began their terms Jan. 31, 1986.

"We all have strange stories of families left behind," Healy said. "I sort of wonder where the victims' input is in something like this."

When he was in Milwaukee several months ago, Healy said he heard "there were a ton of letters" written to Evans lauding the brothers.

"My first question is, how can anybody write a letter knowing everything that took place?"

Former federal prosecutor John E. Franke, who prosecuted the brothers for the Justice Department Organized Crime Strike Force, declined to comment on Evans' decision.

DATE MAY 30, 1987

PUBLICATION MILWAUKEE SENTINEL

DCIR FILE NUMBER OC-1

COMMENTS RECEIVED JUN 5 1987

NEWSPAPER CLIPPING
DJ-DCI-43 (Rev. 7/79)

WISCONSIN DEPARTMENT OF JUSTICE
DIVISION OF CRIMINAL INVESTIGATION

Balistrieris want terms cut further

Three days after Federal Judge Terence T. Evans reduced their prison sentences from eight to five years, John J. and Joseph P. Balistrieri asked Monday that their sentences be reduced even further.

The Balistrieri brothers were convicted in 1984 of taking part in extortion activities that included their father, Frank P., who is serving a 13-year term for extortion.

Attorney Dominic H. Frinzi filed a motion for reconsideration that asked the court to reduce the sentences, to 15 to 21 months, and transfer the brothers to lower-security prisons closer to their homes.

As an alternative to reducing the sentences, Frinzi asked that the Balistrieris be made eligible for parole immediately.

In the motion, Frinzi argued that if the Balistrieris had been sentenced after Nov. 1, when new federal sentencing guidelines take effect, they would have been sentenced to only 15 to 21 months in prison.

Frinzi noted that the Balistrieris had not gone before a parole board because they were awaiting Evans' decision on the first sentence-reduction request. Evans ruled on that request Friday.

The motion filed Monday said John and Joseph Balistrieri were being held in Level 2 security prisons in LaTuna, Texas, and Tallahassee, Fla., respectively, even though both have a Level 1 security rating.

The motion said the brothers' distance from friends and relatives had kept visits to a minimum. Joseph Balistrieri has not had a visit since he entered prison 16 months ago, the motion said.

The motion said the court "has shown a desire to help both Joseph and John Balistrieri by reducing their sentences from eight to five years, and they are thankful. However, the net effect is minimal in terms of the amount of time that they will actually have to serve."

DATE JUNE 2, 1987

PUBLICATION MILWAUKEE SENTINEL

DOIR FILE NUMBER OC-1

COMMENTS RECEIVED JUN 5 1987

NEWSPAPER CLIPPING
DJ-DCI-43 (Rev. 7/79)

WISCONSIN DEPARTMENT OF JUSTICE
DIVISION OF CRIMINAL INVESTIGATION

Beginnings similar for Evans, Balistrieri

By William Janz

When they looked at each other, a judge and the man he put in prison saw a little bit of themselves.

Federal Judge Terence T. Evans and federal prisoner Joseph P. Balistrieri were both born in 1940, played on the same playgrounds, knew many of the same people and were two of the best track men in the state, although they ended up running in different directions.

Balistrieri was an attorney who flaunted dazzle and flash, Rolls-Royced his way through life and

Janz at Large

often talked opera and literature, so comfortable with obscure words that some of us expected that Webster's Unabridged checked with him.

Evans was an unspotlighted, intelligent attorney who, as he put it, was changing diapers and driving a rusty car when Balistrieri was putting on his expensive shows. These two men met on playgrounds at the beginnings of their lives and in court the last few years, one the judge, one the defendant.

As youngsters, Evans and Balistrieri saw each other at Cass St. and Maryland Ave. playgrounds and occasionally played baseball together.

"We were both East Side guys," said Evans, "but were never really friends."

Evans was poor and lived with his divorced mother, who was a child-care attendant at a school for handicapped children. He attended public school, including Riverside High School, and sports kept him going while many friends dropped out of school.

Balistrieri, whose father was running bars and building that reputation that eventually landed him in prison, had money and attended Marquette University High School, a private school. He was one of the best sprinters in the state, and Evans was one of the best middle-distance runners.

In 1961, while he was on the track team at Marquette University, Evans won the central collegiate indoor 800-meter championship in a meet at the University of Notre Dame in Indiana. Balistrieri, a student at Notre Dame, was a sprinter at the same meet and introduced Evans to members of the Notre Dame track team.

"He took me around and introduced me as another guy from Milwaukee, from his side of town," said Evans, who later became captain of the Marquette team.

In a letter to Evans from federal prison in Tallahassee, Fla., earlier this year, Balistrieri bitterly renounced his father, Frank P., bashing him with words his father would have to look up, shredding his father's life with a dictionary. But when Joseph Balistrieri was younger, according to acquaintances, he liked the shadow he carried on his back, the aura that was his as the son of a man rumored to be a gangster, reportedly the head of organized crime in Milwaukee.

"I didn't know much about Frank Balistrieri, but what I heard, I didn't like, so I didn't go out of my way to be Joe's buddy," Evans said.

Evans has been married for 22 years, and Balistrieri is single.

"When I was changing diapers and going to parent conferences, Joe was with beautiful women at the opera," Evans said.

"Joe was more showy. He drove a Rolls-Royce, and I had a rusty station wagon. When I was doing things like changing diapers and coaching kids' soccer teams ... Joe was (being) a flashy guy. Attractive women, big cars, monogram shirts."

Evans and Balistrieri became lawyers about the same time, but when Balistrieri showed up at the Courthouse, his photograph was snapped secretly by a state agent, which showed what the government thought of this new lawyer. Meanwhile, Evans became a prosecutor in the district attorney's office.

When Evans moved into private practice, he and Balistrieri tried a few cases against each other before Evans was appointed a state judge in 1974.

"I never saw much of Joe after that, as the things that were important to me — my wife, kids, my home — were not things that we had in common," Evans said.

"We were never friends. In my whole life I've never called him or he's never called me, or done anything socially. I've never been in Snug's (a restaurant Balistrieri operated). He seemed to spend most of his time in a cabaret. A different lifestyle."

Referring to his youth, Evans said, "The things that saved me were athletics and getting a scholarship, going to Marquette University, being

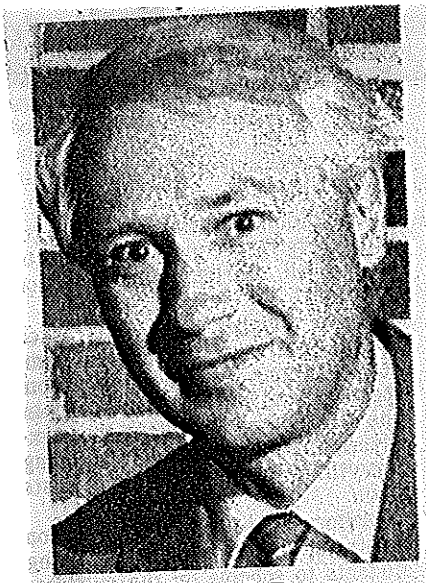
DATE JUNE 2, 1987

PUBLICATION MILWAUKEE SENTINEL

DCIR FILE NUMBER OC-1

COMMENTS RECEIVED JUN 5 1987

MILWAUKEE SENTINEL
OC-1 06-02-87
Page -2



Terence T. Evans

Joseph P. Balistrieri

around people who had ambitions and goals in life and meeting my wife. I can't begin to tell you how important Joan has been."

Despite his job, Evans is informal off the bench, his tie loosened, the top of his shirt unbuttoned, a judge people call Terry outside court. While many federal judges would have shut the door on this interview, Evans was helpful.

When Evans was assigned the criminal cases against the Balistrieris, he told both sides he had known Joseph Balistrieri for a long time. No one objected, probably because every judge in town knew Joseph Balistrieri, who was a court commissioner.

"I had no reservations about being able to try the cases," Evans said. "I wouldn't have if anyone had felt uncomfortable."

After a jury trial in 1984, Evans sentenced Balistrieri and his brother, John J., to eight years in prison for extortion in a case that involved their father and resulted from several years of undercover investigation by federal agents. Last week, Evans reduced that sentence to five years and was criticized by people who were suspicious of Joseph's letter.

"I expected some criticism of the decision because they're not particularly popular people," Evans said.

Referring to talk that the brothers might be paroled later this year, Evans said, "They are going to serve another two years in custody. I'm sure of that. And that is adequate punishment for what they did.

"In a strange way, I feel sorry for Joe Balistrieri. He's very talented. He could have done a lot of positive things with life, but his development was retarded due to his father. . . . Partly his own doing, partly an accident of birth."

He said his decision to reduce the sentences "was a very close question. Once I determined that it was the right thing to do, I had no hesitation in doing it."

In the letter requesting a reduced sentence, Joseph Balistrieri said: "Have you ever asked yourself why you and I were not closer acquaintances? Surely our acquaintance going back as it does to high school through college and which is peopled with common friends and similar activities should have matured."

Balistrieri blamed his father for everything, including his lack of friendship with Evans. He told Evans he and the judge were "not all that different."

During the interview, Evans said, "Two seeds dropped in the ground in proximity to each other, and they grew in the early stages with a lot of similarities, then one went one way, and one went another."

And both men ended up in the same court, one sentencing the other.

NEWSPAPER CLIPPING
DJ-DCI-43 (Rev. 7/79)

WISCONSIN DEPARTMENT OF JUSTICE
DIVISION OF CRIMINAL INVESTIGATION

Balistrieri brothers can't shirk blame

In cutting three years off the prison sentences of John and Joseph Balistrieri, Federal Judge Terence Evans allowed himself to be moved by what he termed "an irrevocable parting of the ways of the sons with their father." But the question is *why?* Why is putting the blame on someone else — in this case, imprisoned crime boss Frank Balistrieri — justification for lenient treatment by the law? We don't think it is.

As a result of Evans' action, John, 38, and Joseph, 46, now serving eight years each in federal prisons in Texas and Florida respectively, could be paroled as soon as January 1988. And if another request filed Monday is granted, the sentences could be reduced further or the brothers could become eligible for immediate parole.

Evans' decision stemmed from letters written to him by the brothers, in which they blamed their father's influence for their participation in the extortion activities that led to their conviction in 1984. Frank Balistrieri, 69, is serving a 13-year term in a federal prison in Pennsylvania on a similar charge. He also has sought a sentence reduction, citing health reasons.

The way we see it, all three Balistrieris got what they deserved when originally sentenced. They were adjudged guilty of unlawful behavior and are paying the consequences. To reduce the brothers' sentences now requires buying their ultra-thin argument of public disavowal of a criminal father by criminal sons. We don't buy it.

We don't believe Frank Balistrieri came by his reputation as crime boss of Milwaukee without good cause. And we don't believe sons John and Joseph — no matter how tearfully eloquent they wax — can credibly cite the bad influence of their father as the sole impetus for their actions. They had to know what they were doing.

DATE JUNE 3, 1987

PUBLICATION THE MILWAUKEE JOURNAL

DCIR FILE NUMBER OC-1

COMMENTS RECEIVED JUN. 5 1987

NEWSPAPER CLIPPING
DJ-DCI-43 (Rev. 7/79)

WISCONSIN DEPARTMENT OF JUSTICE
DIVISION OF CRIMINAL INVESTIGATION

Balistrieris won't get terms reduced again

The recently reduced prison sentences of John J. and Joseph P. Balistrieri will not be cut further to make them eligible for immediate parole, a federal judge ruled Tuesday.

Judge Terence T. Evans, criticized last month for lopping three years off the brothers' eight-year sentences, also refused to recommend they be transferred to prisons closer to home.

His decision was made public in a brief order filed in Federal Court.

The brothers were convicted of extortion in 1984. John, 38, is imprisoned at LaTuna Correctional Institution in Anthony, Texas. Joseph, 46, is imprisoned at the Federal Correctional Institution in Tallahassee, Fla.

Evans reduced their terms May 28, citing their "public bloodletting" with their father, Frank P., the reputed head of organized crime in Milwaukee. The ruling enabled the former attorneys to apply for parole in September, with a possible release date of January 1988.

Several days later, attorney Dominic H. Frinzi asked Evans to further reduce the brothers' terms, making them eligible for parole immediately.

Frinzi later withdrew the sentence-reduction request, at the brothers' request, but still asked that they be made eligible for parole and transferred to lower-security prisons closer to Milwaukee.

The elder Balistrieri, 69, is serving concurrent 10- and 13-year sentences in federal prison in Pennsylvania for racketeering, gambling and extortion convictions.

DATE June 17, 1987

PUBLICATION Milwaukee Sentinel

DCIR FILE NUMBER OC-1

COMMENTS RECEIVED JUN 2 5 1987

NEWSPAPER CLIPPING
DJ-DCI-43 (Rev. 7/79)

WISCONSIN DEPARTMENT OF JUSTICE
DIVISION OF CRIMINAL INVESTIGATION

Mob figure gets term of 4 years

By Ken Wysocky

After dramatic testimony by a former Chicago mob boss, a federal judge Tuesday sentenced an Illinois man to four years in prison for refusing to testify before a federal grand jury under a grant of immunity from prosecution.

Judge Thomas J. Curran said the refusal of John Monteleone, 61, to testify before a grand jury in October 1983 was "a serious attack on the judicial system."

Curran said Monteleone, of Cicero, a Chicago suburb, had "deprived the grand jury of vital information."

Monteleone, described as a former mob enforcer, was convicted of contempt of court last August after he refused Judge Terence T. Evans' order to testify about activities involving Frank Balistrieri, alleged head of organized crime in Milwaukee, and his sons, John and Joseph.

There is no maximum sentence for criminal contempt of court.

Tuesday's five-hour sentencing hearing was held amid tight security as Ken (Tokyo Joe) Eto, 66, a former Chicago mob boss, testified.

In February 1983, Eto survived three gunshots in the back of his head from a .22-caliber handgun in a bungled Chicago mob hit.

Since being granted immunity, Eto has given federal investigators an inside look at mob dealings. He has been relocated and given a new identity under the federal government's witness protection program.

Eto testified that Monteleone was a mob enforcer whom Eto paid $1,000 a month for protection from Chicago police vice squad operations.

Eto gave a sordid glimpse of Chicago mob operations. He described:

- How in the late 1950s or early 1960s, Frank Balistrieri told him in a meeting at Balistrieri's Milwaukee home that it was not possible to arrange police protection for a gambling operation Eto wanted to open in Milwaukee.
- His role in setting up four murders in Chicago when mob gambling turf was threatened.
- The night of his bungled assassination.

Two assailants — whom Eto later identified — shot Eto as he sat in the passenger seat of his car in a parking lot on Chicago's Northwest Side. After being left for dead, he crawled one block to a drug store for help.

The bullets ricocheted off his skull. In July 1983, his two alleged assailants were found stabbed to death in the trunk of a car parked in a suburban Chicago parking lot.

Monteleone's lawyer, Louis Carbonaro, tried to refute testimony from a former FBI investigator who said he saw Monteleone and another man watching a house in 1977 that convicted extortionist Vincent J. Maniaci regulary visited after his release from prison.

A bomb containing 20 dynamite sticks was found under the hood of Maniaci's car one week after Monteleone was seen watching his activities, prosecutors alleged. Maniaci is the brother of August J. Maniaci, who was killed in September 1975 in what authorities believed was an organized crime power struggle.

In 1979, during a grand jury investigation of that murder attempt, Monteleone pleaded the Fifth Amendment against self-incrimination and refused to testify.

Monteleone will be free on bond until March 3, when he must begin his sentence.

DATE FEBRUARY 12, 1986

PUBLICATION MILWAUKEE SENTINEL

DCIR FILE NUMBER OC-1

COMMENTS

NEWSPAPER CLIPPING
DJ-DCI-43 (Rev. 7/79)

WISCONSIN DEPARTMENT OF JUSTICE
DIVISION OF CRIMINAL INVESTIGATION

Mob figure gets 16 years

Kansas City, Mo. — Reputed Chicago organized crime boss Joseph Lombardo was sentenced to 16 years in prison and ordered to pay more than $143,000 for his role in a conspiracy to skim profits from Las Vegas casinos.

Federal Judge Joseph E. Stevens Jr. ordered the prison term to be served concurrently with a 15-year sentence Lombardo is serving for conspiracy to bribe former Sen. Howard Cannon (D-Nev.).

Lombardo, 57, was convicted in January, with reputed Chicago mob boss Joseph Aiuppa, his alleged underboss John Cerone and two others, in a casino skimming scheme that prosecutors claim netted $2 million for mobsters in five cities.

Frank P. Balistrieri, reputed organized crime boss in Milwaukee, pleaded guilty in the case Dec. 31. He was fined $20,000 and sentenced to 10 years in prison, concurrent with a 13-year sentence on a 1984 Milwaukee extortion conviction.

Balistrieri's sons, Joseph and John, were ordered acquitted by Stevens after the government rested its case.

DATE APRIL 2, 1986

PUBLICATION MILWAUKEE SENTINEL

DCIR FILE NUMBER OC-1

COMMENTS RECEIVED APR 16 1986

DJ-DCI-43 (Rev. 7/79)

WISCONSIN DEPARTMENT OF JUSTICE
DIVISION OF CRIMINAL INVESTIGATION

Judge rejects Balistrieri's bid to reduce 10-year prison term

By Ken Wysocky

A federal judge in Missouri has denied an ailing Frank P. Balistrieri's bid for a reduction of his 10-year prison sentence stemming from a 1985 conviction for racketeering, it was learned Wednesday.

Judge Joseph E. Stevens Jr. ruled Balistrieri's poor health did not merit a sentence reduction because it was considered at the time of sentencing.

The order came two days after the US Supreme Court denied an appeal of 1984 extortion convictions of Balistrieri and his two sons, Joseph and John.

Federal authorities have identified the elder Balistrieri as the chief of organized crime in Milwaukee.

Balistrieri, 67, had asked that his sentence be cut in half. He based his request on what he described as declining health and the hardship his imprisonment had imposed on his wife and mother.

The government argued that Balistrieri had received adequate treatment and regular monitoring of his health from prison officials.

"Defendant's health was considered by the court at the time of sentencing, and defendant presents no information that would indicate any significant change in his medical condition since sentencing," Stevens wrote in his order.

Balistrieri is imprisoned at a maximum-security prison in Lewisburg, Pa. He pleaded guilty to two counts related to his involvement in the skimming of nearly $2 million from Las Vegas casinos. He was sentenced to two, five-year sentences and fined $20,000.

The sentence is to be served concurrent to a 13-year sentence Balistrieri already was serving for a 1984 conviction on extortion and gambling charges in the federal Eastern District of Wisconsin.

In May, a different motion was filed with Judge Terence T. Evans to reduce the 13-year sentence and have Balistrieri moved to a minimum-security federal prison in Lexington, Ky.

That request, which still is pending, showed Balistrieri suffers from lung problems, hardening of the arteries, arthritis and other problems.

Joseph P. Balistrieri, 45, is serving an eight-year sentence at the Federal Correctional Institution in Tallahassee, Fla. John J. Balistrieri, 37, is serving an eight-year term at the La Tuna Federal Correctional Institution in Anthony, Texas.

DATE JULY 10, 1986

PUBLICATION MILWAUKEE SENTINEL

DCIR FILE NUMBER OC-1

COMMENTS ~~RECEIVED JUL 22 1986~~

DJ-DCI-4J (Rev. 7/79)

WISCONSIN DEPARTMENT OF JUSTICE
DIVISION OF CRIMINAL INVESTIGATION

Judge rejects bid to reduce Frank Balistrieri's sentence

A federal judge in Missouri has rejected a request to reduce Frank P. Balistrieri's 10-year sentence for a 1985 racketeering conviction in Kansas City.

The bid to cut Balistrieri's term in half in the Missouri case parallels a sentence-reduction motion that is still pending in Milwaukee before Federal Judge Terence T. Evans. Balistrieri was convicted in 1983 and 1984 in Milwaukee on charges of extortion and sports bookmaking.

In both cases, Glenn Reynolds, a Madison lawyer representing Balistrieri, argued that Balistrieri's declining health made the prison terms tantamount to a life sentence. Federal authorities have identified Balistrieri as the chief of organized crime in Milwaukee.

Sheryle Jeans, a lawyer with the US Justice Department's organized crime strike force in Kansas City, said she opposed the motion made by Reynolds. A caseworker at a federal prison in Lewisburg, Pa., said Balistrieri, 67, received adequate care and supervision, Jeans said.

According to Jeans, the caseworker said that Balistrieri's activities were limited because of a mild heart condition and a hearing problem and that he was working at a desk job in the education department of the minimum-security prison.

In the pending motion in Milwaukee, Reynolds has asked Evans, who tried the cases, to halve Balistrieri's 13-year prison term. He was sentenced to serve concurrent terms of 10 years and 13 years.

While Reynolds has presented no medical information, he has argued that Balistrieri has been diagnosed as having lung problems, hardening of the arteries and arthritis.

DATE July 10, 1986

PUBLICATION Milwaukee Journal

DCIR FILE NUMBER OC-1

COMMENTS RECEIVED JUL 17 1986

DJ-DCI-43 (Rev. 7/79)

WISCONSIN DEPARTMENT OF JUSTICE
DIVISION OF CRIMINAL INVESTIGATION

Papia called to testify, sources say

By Mary Zahn

Sally Papia, a widely known restaurant operator, has been subpoenaed to appear before a federal grand jury that is looking into her relationship with a local union, sources said Tuesday.

Sources said part of the probe would focus on why Papia sent monthly checks of about $200 to Local 122 of the Hotel, Motel, Restaurant Employes and Bartenders Union in Milwaukee.

The source said up to 20 employes of Papia's restaurant, Sally's Steak House, 1028 E. Juneau Ave., also were expected to be subpoenaed for the probe.

When asked Tuesday about the subpoena, Papia said she had no comment.

Sources said Papia allegedly sent the monthly checks to the union for at least the last two years.

Records subpoenaed by the grand jury, sources said, allegedly indicated that the checks were for labor union dues for some of Papia's employes.

However, sources said, at least one former employe for whom Papia allegedly paid union dues has told federal officials he never belonged to the union, received no benefits and had no knowledge of Papia paying dues on his behalf.

Vince Gallo, business manager for Local 122, said Tuesday that the checks were for membership dues on behalf of Papia's employes who were members. He said those dues were deducted from employes' checks and were not paid by Papia.

"Sally was being billed for dues for our members who work for her," Gallo said.

He said it was "absolutely ridiculous" to suggest that Papia received any special favors from the union. He said he had no idea why the FBI was interested in the union.

FBI agents executed a search warrant Aug. 20 at the union's office at 231 W. Wisconsin Ave., records show. Union officials gave the agents records pertaining to union membership, dues payments and employe activities at Sally's, according to the records.

The records provided by the union officials specifically pertained to a list of 25 people, apparently past and current workers at Sally's.

Papia, in the settlement of a 1982 complaint by the US Labor Department, agreed in 1983 to pay $15,000 in back wages to 71 employes.

The complaint had alleged that Papia paid waitresses, cooks, bartenders and other workers less than the minimum wage, in violation of the Fair Labor Standards Act.

Papia served a 60-day jail term on work release for a 1976 extortion conviction.

DATE SEPTEMBER 24, 1986

PUBLICATION MILWAUKEE SENTINEL

DCIR FILE NUMBER OC-1

COMMENTS

RECEIVED [illegible] 1986

DJ-DCI-43 (Rev. 7/79)

WISCONSIN DEPARTMENT OF JUSTICE
DIVISION OF CRIMINAL INVESTIGATION

Balistrieri aide jailed for refusal on palm prints

By Mary Zahn
and Ken Wysocky

Steve Di Salvo, convicted in 1983 of running a gambling operation for Frank P. Balistrieri, has been jailed for refusing to give palm prints needed for a federal grand jury investigation, it was learned Tuesday.

Di Salvo was transferred last April to Milwaukee from the Federal Correctional Institution at Texarkana, Texas, to testify before a federal grand jury, according to affidavits filed in Federal Court. He is serving an eight-year sentence.

Neither the affidavits nor federal officials disclosed why the grand jury wanted Di Salvo's prints. A source said authorities believed the prints might implicate Di Salvo in an unsolved gangland murder.

John Franke, chief of the Milwaukee Bureau of the US Justice Department's Organized Crime Strike Force, would not comment on the source's information.

The affidavits had been sealed until Tuesday, when they were opened at the request of The Milwaukee Sentinel.

Di Salvo was cited April 21 for civil contempt of court for refusing to give the prints despite a court order from Federal Judge John W. Reynolds.

He was held in Chicago's Metropolitan Correction Center until June 16, when he was transferred to the newly opened federal detention area of the Milwaukee County Jail.

Di Salvo legally can be held until Feb. 2, when the grand jury he appeared before is released. The time spent in jail for contempt will not count as time served on his prison sentence, Franke said.

Di Salvo, who has been identified by federal prosecutors as second-in-command to Balistrieri in Milwaukee's organized crime family, said in an affidavit he refused to give the palm prints because the FBI already had them from a previous investigation in 1982 or 1983.

"Because I had earlier provided the prints, and because I believed then as I do now that the government wanted my prints only to frame me, I declined to produce them," the affidavit said.

"Another reason for my refusal was that . . . no one had demonstrated to me that the earlier-provided palm prints were unsuitable for comparison purposes," the affidavit continued. "Thus, believing that the FBI wanted these new palm prints for the simple purpose of harassment, I refused to produce them."

Franke said the government needed the palm prints because the prints already taken were not clear enough.

Di Salvo this week filed a motion requesting that he be transferred back to Texarkana. He said he would not give palm prints until the government demonstrated a need for them.

Balistrieri is imprisoned at the federal penitentiary in Lewisburg, Pa. He is serving a 10-year sentence for a 1985 conviction in Kansas City, Mo., for racketeering and a 13-year sentence for a 1984 conviction in Milwaukee for gambling and extortion.

DATE OCTOBER 1, 1986

PUBLICATION MILWAUKEE SENTINEL

DCIR FILE NUMBER OC-1

COMMENTS

DJ-DCI-43 (Rev. 7/79)

WISCONSIN DEPARTMENT OF JUSTICE
DIVISION OF CRIMINAL INVESTIGATION

Grand jury looks into '63 slaying

Steve DiSalvo, whose palm prints are being sought by federal authorities, was questioned by a grand jury here in April about his knowledge of the unsolved 1963 murder of Anthony J. Biernat, a Kenosha vending machine dealer, sources said Thursday.

Federal officials have declined to comment on the grand jury appearance of DiSalvo, convicted in 1983 of running a gambling operation for Milwaukee Mafia boss Frank P. Balistrieri.

But sources familiar with the grand jury investigation said authorities were still trying to piece together details of the killing of Biernat, who was abducted in Kenosha and later found beaten to death and left in a shallow grave.

DiSalvo has been jailed for contempt of court for refusing to give his palm prints, which he said were already taken by federal authorities in 1982 or 1983.

Kenosha Police Chief Joseph Trotta said in an interview that his department had questioned DiSalvo shortly after the murder, and again this April when DiSalvo appeared before the grand jury in Milwaukee.

DiSalvo was uncooperative, Trotta said.

Trotta said a link to organized crime in the murder had never conclusively been established, but "it had the implication of one."

Anthony Pipito, convicted in 1985 of running a huge cocaine operation in Milwaukee, revived the Biernat investigation in 1984 when he allegedly told an FBI source that he "was the first individual to hit" Biernat during the fatal beating.

DATE OCTOBER 2, 1986

PUBLICATION THE MILWAUKEE JOURNAL

DCIR FILE NUMBER OC-1

COMMENTS

DJ-DCI-43 (Rev. 7/79)

WISCONSIN DEPARTMENT OF JUSTICE
DIVISION OF CRIMINAL INVESTIGATION

Grand jury probing Balistrieris for tie to hotel workers union

By Mary Zahn

A federal grand jury is investigating whether Frank P. Balistrieri, alleged boss of organized crime in Milwaukee, and his sons have had ties with the hotel and restaurant employes union, according to sources.

The Hotel Employes and Restaurant Employes International Union was named last October by the President's Commission on Organized Crime as one of the "Bad Four" major unions, "dominated by the La Cosa Nostra Crime syndicate and its auxiliaries and allies."

Milwaukee Local 122 of the union, known by the acronym HEREIU, has anywhere from 1,800 to 2,400 members, according to Vincent P. Gallo, business manager for the local.

Balistrieri and his sons, John J. and Joseph P., are currently serving time in federal prison on extortion charges. In addition, Frank Balistrieri is serving time on federal conspiracy and racketeering charges in connection with the skimming of nearly $2 million in profits from Las Vegas casinos.

The grand jury is expected to probe Gallo's relationship with the Balistrieri family, a source said.

Gallo said Wednesday that there has been no relationship between his union and the Balistrieri family. He said he had known the Balistrieris most of his life, and that John and Joseph are his friends.

But, Gallo said, "they have had absolutely nothing to do with the union."

Gallo is a former manager of Snug's restaurant in The Shorecrest hotel, 1962 N. Prospect Ave., both owned by Joseph Balistrieri.

Gallo acknowledged that he was on probation for auto theft in November 1976, when he became manager of Snug's. Court records show that Joseph Balistrieri was Gallo's attorney in the auto theft case.

Gallo said he received a full pardon from the governor on that charge last year.

Gallo said that as far as he was concerned, both Local 122 and the international union are well-run, "absolutely clean" and in good financial shape.

He said he has no knowledge of any organized crime figures infiltrating either labor group.

"If organized crime figures are involved in the union, why isn't someone doing something about it?" Gallo asked.

He said he has not been subpoenaed to appear before the grand jury, but that his secretary has.

Also scheduled to appear before the grand jury is Sally Papia, the widely known restaurant operator, who sources say has had a close association with the Balistrieri family for many years. Papia is expected to be questioned about why she sent monthly checks of about $200 to Local 122.

Gallo said the checks from Papia covered union membership dues for her employes. He said those dues were deducted from employes' checks and were not paid by Papia.

However, sources said, at least one former employe for whom Papia allegedly paid union dues has told federal officials that he never belonged to the union, received no benefits and had no knowledge of Papia paying dues on his behalf.

The grand jury also is expected to probe whether the Balistrieris had anything to do with Local 122's decision to keep its health and welfare and pension funds under local control, rather than under control of the international union in Naperville, Ill., sources said.

Gallo said the pension decision was made by union trustees, and the Balistrieris had nothing to do with it.

According to a reliable source, John Balistrieri has been a member of Local 122 since 1975.

Gallo said he didn't know when John joined, but he had worked out of the Local 122 office as an attorney some years ago.

According to the source, John joined Local 122 in April 1973, when he was still a law student and was living at his father's East Side home.

In July 1974, John was suspended from the union. He reapplied for membership in April 1975 and has been listed as a member since, the source said.

Gallo started working for the local in September 1980. At the time, he said, he had been working as a bartender in a number of area restaurants and had met the late Ben Barwick, a former Local 122 president.

Barwick invited Gallo to work for the union as a business agent and organizer, with the understanding that if he didn't like the job, he could leave, Gallo said. He stayed and was elected business manager in November 1983.

In August 1984, Gallo was appointed as one of the 14 international vice presidents of HEREIU by its president, Edward Hanley.

DATE OCTOBER 2, 1986

PUBLICATION MILWAUKEE SENTINEL

DCIR FILE NUMBER OC-1

COMMENTS

MILW. SENTINEL
P. 2 - OC-1

A 1986 report by the President's Commission on Organized Crime said that Joseph Hauser, a convicted defrauder of union benefit funds, had testified before a Senate subcommittee in April 1983 that Chicago crime boss Tony Accardo handpicked Hanley for the HEREIU presidency.

"The list of employes and organizers hired after Hanley became HEREIU president includes organized crime associates and numerous patronage jobs," the report said. "HEREIU has a documented relationship with the Chicago "Outfit" of La Cosa Nostra at the international (union) level."

Hanley, who has been president of HEREIU since 1973, pleaded the Fifth Amendment when he was asked during an appearance before a Senate subcommittee about his relationship with Chicago organized crime figures, the report said.

Gallo said of Hanley's testimony, "We have the right to plead the Fifth, just as any politician or any other citizen has."

Gallo said he thought the presidential commission's allegations about HEREIU were "absolutely ridiculous."

Labor Department records show Gallo makes about $46,000 in salary and benefits as business manager for Local 122. A source said he also receives some compensation from HEREIU for being an international vice president.

According to a Milwaukee Labor Press story, Gallo's post with the international makes him responsible for six states — Minnesota, North and South Dakota, Iowa, Nebraska and Wisconsin.

DJ-DCI-43 (Rev. 7/79)

WISCONSIN DEPARTMENT OF JUSTICE
DIVISION OF CRIMINAL INVESTIGATION

Man's palm prints sought in 1963 murder

By Mary Zahn

A federal grand jury is seeking palm prints from an alleged organized crime figure here as part of a continuing investigation into the 1963 murder of a Kenosha jukebox distributor, a knowledgeable source said Wednesday.

Court records show that Steve Di Salvo, convicted in 1983 of running a gambling operation, has been jailed for refusing to give palm prints needed for the grand jury investigation.

The source said the jury was looking into the murder of Anthony J. Biernat.

Biernat's body was found Jan. 28, 1963, buried in a shallow grave in the basement of an unoccupied house on the grounds of the former Bong Air Force Base site.

Biernat, 46, owner of the Lakeside Music Co., was abducted from his car by three men Jan. 7, 1963, at the North Shore railroad depot in Kenosha and was beaten to death by his abductors.

The murder investigation was given new life in December 1984, when Anthony Pipito, 47, was arrested in connection with an estimated $1.2 million cocaine sales operation.

Affidavits attached to the drug arrest warrant alleged that Pipito had bragged to one FBI source "that he was the first individual to hit (jukebox distributor Anthony J. Biernat) and that Biernat died" during the beating.

According to accounts given to The Milwaukee Sentinel by confidential sources in 1963, Biernat's death was arranged by Chicago organized-crime leaders.

According to the sources, Biernat's killers were hired out of Milwaukee by the Chicago organized-crime leaders after Biernat refused to let them have a partnership in his jukebox firm.

Di Salvo has been identified by federal prosecutors as second in command in Milwaukee's organized crime family. He said in an affidavit that he refused to give the palm prints because the FBI already had them from a previous investigation in 1982 or 1983.

John Franke, chief of the Milwaukee Bureau of the US Justice Department's Organized Crime Strike Force, said the government needed the palm prints because the prints already taken were not clear enough.

Steve Di Salvo

Anthony J. Biernat

DATE OCTOBER 2, 1986

PUBLICATION MILWAUKEE SENTINEL

DCIR FILE NUMBER OC-1

COMMENTS

RECEIVED OCT 7 1986

DJ-DCI-43 (Rev. 7/79)

WISCONSIN DEPARTMENT OF JUSTICE
DIVISION OF CRIMINAL INVESTIGATION

Federal grand jury hears Papia

Restaurateur Sally Papia appeared Tuesday before a federal grand jury that sources say is probing her relationship with a local union.

Papia, operator of Sally's Steak House, 1028 E. Juneau Ave., appeared before the grand jury for about half an hour, said her attorney, Franklyn M. Gimbel.

Gimbel would not comment further, except to say Papia was not scheduled to appear before the grand jury again. Papia also refused to comment.

The FBI has been investigating Papia's ties to Hotel, Motel, Restaurant Employes and Bartenders Union Local 122.

FBI agents executed a search warrant Aug. 20 at the union's office, 231 W. Wisconsin Ave., and seized appointment books, pension fund statements and records pertaining to union membership, dues payments and employe activities at Sally's.

Sources have said the investigation centers on $200 checks Papia sent monthly to Local 122 for the past two years.

DATE OCTOBER 8, 1986

PUBLICATION MILWAUKEE SENTINEL

DCIR FILE NUMBER OC-1

COMMENTS RECEIVED OCT 2 4 1986

DJ-DCI-43 (Rev. 7/79)

WISCONSIN DEPARTMENT OF JUSTICE
DIVISION OF CRIMINAL INVESTIGATION

Friends endorse Balistrieri brothers' plea for early release

By DAVID UMHOEFER
of The Journal staff

Buttressed by support from Milwaukee union officials, businessmen, lawyers and old family friends, plus a stinging attack on their father, John and Joseph Balistrieri asked a federal judge Thursday to reduce their prison sentences.

The brothers — both lawyers and the sons of Frank P. Balistrieri, who headed organized crime in Milwaukee until he, too, was sent to prison in 1984 — have served 8½ months of 8-year sentences for 1984 extortion convictions involving efforts to take over a vending machine business.

Accompanying the motions filed with Judge Terence T. Evans were more than 100 letters asking Evans to reduce the brothers' sentences.

Among the letter writers were retired state AFL-CIO chief John W. Schmitt; Joseph Ruditys, president of the local firefighters union; Vincent P. Gallo III, business manager of the Hotel, Motel, Restaurant Employes Union Local 122; former alderman Orville Pitts, now a family court commissioner; and Vel R. Phillips, former Milwaukee alderman, circuit judge and secretary of state.

Other writers included lawyer Bradley D. Carr; Stephen Marcus, of the hotel and theater family; and Frank H. Ranney, a former local and national Teamsters Union leader.

Schmitt wrote that the Balistrieri brothers, his good friends, "have shown social concern and evidenced a positive attitude for good causes." Their troubles "resulted from being boxed in by their father."

"If allowed to be out of jail and in the community, they will be totally divorced from any illegal or corrupt acts," Schmitt wrote.

Ruditys, who described himself as knowing the brothers for 10 years, wrote: "If there was ever a need for sentencing and discipline with compassion, I believe it should apply in the cases of John and Joe Balistrieri."

Phillips called the brothers "intelligent and hardworking, caring and civic-minded" who would "rejoice in the opportunity to lead normal, productive lives."

Gallo, who said he was a lifelong friend, described the brothers as givers — "They gave baskets of food at both Thanksgiving time and at Christmas time to the church to be distributed to the needy."

Ranney, former secretary-treasurer of Teamsters Local 200 here and a former trustee of the Teamsters' Central States Pension Fund, said the brothers' mother, Antonina, could not cope with running the Balistrieris' restaurant and hotel in Milwaukee without her sons.

Joseph Balistrieri owns the Shorecrest Hotel, at 1926 N. Prospect Ave.

Ranney, who resigned as a trustee of the Teamsters' Central States Pension Fund in 1976 after refusing to cooperate with a federal investigation of irregularities in the fund, wrote:

"The Justice Department does not have to fear their carrying on any further criminal activities now that they have had a sample of incarceration . . . and due to the breach this affair has created between them and their father."

A letter from the boys' mother to Evans was attached to a motion requesting that it, along with a letter from her son Joseph, remain confidential.

In his motion, John J. Balistrieri, 38, asks for a reduction to a two-year sentence, making him immediately eligible for parole from the LaTuna federal prison in Anthony, Texas.

Joseph Balistrieri, 46, imprisoned in a federal prison at Tallahassee, Fla., asked Evans to reduce his sentence to time served.

DATE OCTOBER 17, 1986

PUBLICATION THE MILWAUKEE JOURNAL

DCIR FILE NUMBER OC-1

COMMENTS RECEIVED OCT 2 4 1986

THE MILWAUKEE JOURNAL
10-17-86 P. 2

While Joseph's words remained sealed, John sent a soul-searching, public, 11-page letter that alternately maintained his innocence, ripped prosecutors he said were overzealous and branded his father a liar — all while quoting J. Edgar Hoover, the late English statesman Benjamin Disraeli, and others.

John said he and his brother were "dragged kicking and screaming into this mess" by Frank Balistrieri, a man to whom "truth was as alien as earrings are to a pig."

It was guilt by association, John wrote.

"This is not to say I didn't know my share of bookmakers and street characters, because I did. Growing up on the Lower East Side of the city, such contacts were inevitable. . . .

"He is my father and as the world knows, I am his son. It is an accident of nature that burdens me more than the hump on the back of Richard III."

John also wrote: "My brother and I were subjected to psychological abuse with the weapons of personal honor, family loyalty and cultural tradition that can only be brought to bare [sic] against those who want to do right."

He concluded: "Please, judge, do not let the words of J. Edgar Hoover ring true. Do not allow justice to be incidental to law and order. All I want is a fair shake."

John said he blew his chance to break away in 1975, "shamed into staying in Milwaukee by an appeal to my honor."

"I was constantly put upon to rescue him from one catastrophe after another. . . . It would have been culturally abrasive, and invited scorn and vituperation not to. . . . After all, isn't that what good sons and good lawyers do?"

He also wrote: "For the past 20 years, my name has been rendered odious by the negative publicity given to my father. . . . Yet the fact of the matter is that I had no part in creating that aura and have had to live with the brutal realities such an aura imposes upon someone growing up in our community."

He compared his reputation to characters in "The Godfather" novel, but pleaded, "I am not like the character in the novel nor is my relationship with my father anything like is portrayed in the book."

At one point John, who is engaged to be married, pleaded with Evans.

"Please do not let my biological time clock run out," he wrote. "I want very much to put this whole time behind me and get on with my life, to get married and raise a family.

"Never again will I let loyalty be deaf to reason. I have not been indolent, I have been blind. . . . It is not that I got too close to him, as others would have you believe, it is that I let him get too close to me."

He cited his "peripheral role" in the extortion case, his imprisonment in a "hard time" institution, a nonviolent history, his divestment of his vending machine interests and good prison record as reasons for a reduction.

"They say you learn a lot in prison and that is true. I have learned that armed bank robbers, heroine [sic] dealers and cocaine smugglers with violent records receive far less time than I was given for my first nonviolent offense."

Phillips said Friday that she had written to Evans after contacting Antonina Balistrieri about helping out in some way. Neither of the brothers knew of her letter, she said.

Pitts said Friday that his letter on behalf of Joseph was prompted by his regard for him as a lawyer and a person.

"He's a talented and capable person, and the point has been made," Pitts said. "The sentence stripped him of his law license, and he's been disgraced and humiliated. I don't know if seven more years in prison is going to drive the point home any more."

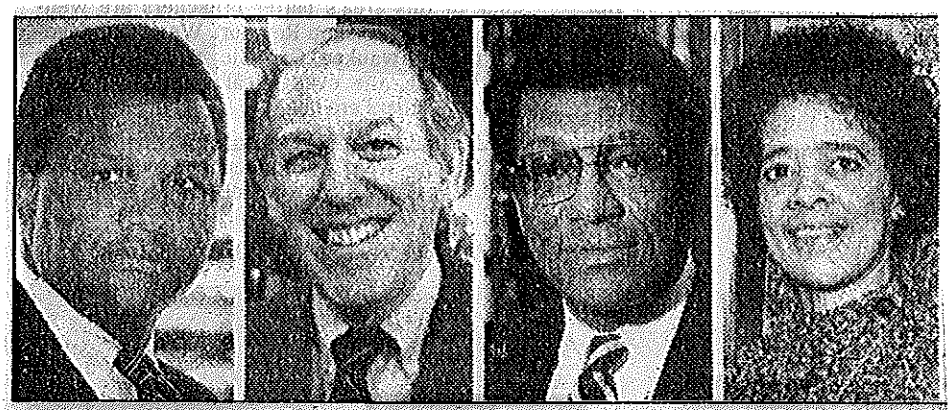
Marcus was in a meeting, aides said, but his letter noted that he had been asked to write to Evans.

Schmitt, Ruditys and Gallo could not be reached for comment.

Ranney, who lives in Coral Springs, Fla., has an unlisted number.

THE MILWAUKEE JOURNAL
10-17-86 P. 3

OC-1



Bradley D. Carr Stephen Marcus Orville Pitts Vel R. Phillips

Frank H. Ranney John W. Schmitt Joseph Ruditys

Joseph Balistrieri John Balistrieri

DJ-DCI-43 (Rev. 7/79)

WISCONSIN DEPARTMENT OF JUSTICE
DIVISION OF CRIMINAL INVESTIGATION

Balistrieri raked by jailed son

By Ken Wysocky

Frank P. Balistrieri was a manipulative and calculating man whose underworld ties and insistence on family loyalty and honor sent his two sons to prison on extortion convictions, his son, John J., said in a letter filed in Federal Court Thursday.

"We didn't know what Frank was up to and didn't ask him. We didn't care. Besides, it was not consistent with Frank's personality to tell the truth to anyone, and especially not to Joe or myself. Truth was as alien to him as earrings are to a pig."

The rambling 11-page letter written to Judge Terence T. Evans was submitted as part of a motion to reduce John Balistrieri's eight-year sentence to two years, with eligibility for parole after eight months. That would make Balistrieri, 38, immediately eligible for parole since he has served slightly more than eight months at the LaTuna Correctional Institution in Anthony, Texas.

Another motion sought to have Joseph P. Balistrieri's eight-year sentence reduced to time served. Joseph Balistrieri, 46, has been imprisoned for about eight months at the Federal Correctional Institution in Tallahassee, Fla.

Both motions were accompanied by a file folder of more than 100 letters from relatives and friends of the Balistrieri brothers. The letters extolled their virtues and described the hardships their imprisonment has caused for them and their family, especially their mother, Antonina Balistrieri.

John Balistrieri described the burden of bearing the name of Milwaukee's reputed mob family and steadfastly maintained his innocence, saying he was a victim of guilt by association.

"Through my inarticulate pen flows the pain, disappointment and physical and mental exhaustion of the past eight years ... I hope and pray I am not misunderstood," he said.

Balistrieri noted the letter was difficult to write for many reasons, including the realization it probably "will be shared with others, some of who are undoubtably hostile toward me and relish in the thought of my diminished circumstances."

It was his father's ties to the underworld that was his son's undoing, Balistrieri asserted.

"That is not to say I didn't know my share of bookmakers and street characters, because I did. Growing up on the lower East Side of the city such contacts were inevitable," he wrote. "But my associations with such people were always personal, never business."

He continued: "I sincerely hope that whatever opinion you (Evans) have forged of me is not jaded by the circumstances of my birth or the unfortunate aura that surrounds my family name. But that is a risk I run since for the past 30 years, my name has been rendered odious by the negative publicity given to my father.

"But the fact of the matter is that I had no part in creating that aura and have had to live with the brutal realities such an aura imposes upon someone growing up in our community," he said.

Balistrieri said there could not be "an honest reciting of the facts" without discussion of his father, who is serving concurrent 10- and 13-year sentences for racketeering, extortion and gambling convictions in Kansas City and Milwaukee. Federal authorities have identified him as the chief of organized crime in Milwaukee.

"He is my father and as the world knows, I am his son. It is an accident of nature that burdens me more than the hump on the back of Richard III.

" ... Had he left us alone, or just been more discreet and particular in his associations, I would still be practicing tax law today and this dreadful chapter in my life would never have been written.

"But we were not left alone. We were dragged kicking and screaming into this mess. Make no mistake about it, our participation, as limited as it was, was not the result of willful conduct.

"My brother and I were subjected to psychological abuse with the weapons of personal honor, family loyalty and cultural tradition that can only be brought to bare (sic) against those who want to do right."

Balistrieri said the "Byzantine, manipulative and calculating nature of Frank Peter Balistrieri insiduously (sic) utilized all the means at his disposal to involve us in his problems. This was to his constant advantage and our terrible disadvantage.

"There is a Mario Puzo-isque notion that I have read and heard which has me relishing in the affairs of my father. The fact of the matter is I am not like the character in the novel nor is my relationship with my father anything like is portrayed in the book."

Balistrieri said his chance to break away from his father was lost in 1975.

"I was talked out of it. Shamed into staying in Milwaukee by an appeal to my honor. Frank needed a back-up dupe. Joe was giving him too much trouble. I came off the bench."

The letter notes that Balistrieri's sentence should be reduced for a number of reasons — his incarceration in a prison for hardened criminals that ranks "at the very bottom" of federal prisons, the victimless nature of his crime, and a biological time clock that is running out on his wish to marry his fiancee of seven years and start a family. He also pointed out that he has divested himself from all aspects of the vending and amusement machine business.

"The cold hard fact of the matter is this: Never again will I let loyalty be deaf to reason ... I have not been indolent, I have been blind.

"I cannot undo what has been done, but you can end the suffering caused by a series of events over which I had little control," he said, imploring Evans to reduce his sentence.

DATE OCTOBER 17, 1986

PUBLICATION MILWAUKEE SENTINEL

DCIR FILE NUMBER OC-1

COMMENTS RECEIVED OCT 24 1986

DJ-DCI-43 (Rev. 7/79)

WISCONSIN DEPARTMENT OF JUSTICE
DIVISION OF CRIMINAL INVESTIGATION

Balistrieris called model prisoners

By Ken Wysocky

Imprisoned brothers John J. Balistrieri and Joseph P. Balistrieri have exemplary prison work records and have earned maximum time off for good behavior, according to affidavits reviewed Friday.

John Balistrieri, 38, is an administrative assistant to the safety manager at LaTuna Correctional Institution in Anthony, Texas. He is serving an eight-year sentence on a 1984 extortion conviction.

Joseph Balistrieri, 46, is a tutor clerk at the Federal Correctional Institution in Tallahassee, Fla., where he also is serving an eight-year sentence on a 1984 extortion conviction. He helps inmates study English, mathematics and social studies to prepare for equivalency diploma exams.

The first four months of his sentence were spent working in the dish room of the prison dining hall.

That information was gleaned from affidavits filed in Federal Court Thursday in support of two motions to reduce the sentences of the Balistrieri brothers. Both have served about 8½ months in prison.

John Franke, head of the Milwaukee office of the US Justice Department's Organized Crime Strike Force, said the government would prepare a response to the motions after reviewing the affidavits and more than 100 letters of support from friends and relatives of the two brothers.

The motions are before Federal Judge Terence T. Evans.

An affidavit filed by Stephen M. Glynn, John Balistrieri's attorney, notes that prison records show Balistrieri has "behaved in commendable fashion" during his incarceration.

"There have been no incident reports filed against him; he has a responsible position within the institution and an excellent work record; he has received meritorious good time; and he has received advancements based upon merit in his employment," the affidavit said.

In a vitriolic letter that lashed out at his father, Frank P. Balistrieri, John Balistrieri called LaTuna "an institution that rates at the very bottom of all Federal Correctional Institutions and where English is a foreign language."

Frank P. Balistrieri, who has been identified by the FBI as the head of Milwaukee's mob family, is serving concurrent 13- and 10-year sentences in a federal prison in Pennsylvania on gambling, extortion and racketeering convictions.

An affidavit filed by attorney Russell Stewart, a friend and former law partner of the brothers, said that Joseph Balistrieri's work record is "beyond reproach. His conduct and deportment have no parallel."

The same affidavit argues that the thousands of hours spent preparing for their casino skimming trial in Kansas City could be viewed as "time served." That trial ended with their acquittal last January.

"Joseph and John Balistrieri lived in a state of virtual house arrest for the two years prior to the commencement of that trial ... despite the fact that the government's case was conspicuously devoid of any basis in fact or law," the affidavit said.

The document also notes that "this two year period caused both John and Joseph Balistrieri severe depression, an almost total drain on their cash resources, a neglect of their other business enterprises to their financial detriment and a severe strain on their relationships with family and friends."

RECEIVED OCT 2 3 1986

DATE OCTOBER 18, 1986

PUBLICATION MILWAUKEE SENTINEL

DCIR FILE NUMBER OC-1

COMMENTS

DJ-DCI-43 (Rev. 7/79)

WISCONSIN DEPARTMENT OF JUSTICE
DIVISION OF CRIMINAL INVESTIGATION

Magazine ranks Balistrieri the 17th 'biggest Mafia boss'

From Sentinel wire services

Frank P. Balistrieri, identified by the FBI as Milwaukee's organized crime boss, ranks 17th on a Fortune magazine list of the 50 "biggest Mafia bosses."

Balistrieri, 68, is serving a 10-year prison sentence at a maximum-security prison in Lewisburg, Pa., on a 1985 conviction for racketeering.

No. 1 on the list is Anthony "Fat Tony" Salerno, 75, of New York. Only one Chicago mob boss, Anthony Accardo, who ranks No. 2 on Fortune's list, ranks higher than Balistrieri.

The ranking is in the Nov. 10 issue of Fortune, which is known for its "Fortune 500" list of America's largest corporations. The magazine said the list is based on law enforcers' assessment of each man's wealth, power and influence.

The list does not include annual income or net worth figures.

John A. Franke, the federal prosecutor who handled the case against Balistrieri, said, "I was not aware that Fortune magazine was rating mob bosses, and I would be interested in their criteria and sources.

"Seventeenth seems generally consistent with evidence introduced in federal court here over the past few years," he said.

DATE OCTOBER 23, 1986

PUBLICATION MILWAUKEE SENTINEL

DCIR FILE NUMBER OC-1

COMMENTS RECEIVED OCT 29 1986

DJ-DCI-43 (Rev. 7/79)

WISCONSIN DEPARTMENT OF JUSTICE
DIVISION OF CRIMINAL INVESTIGATION

Magazine ranks the mob

Balistrieri is 17th on Fortune's list

New York, N.Y. —AP— Fortune magazine's newest list of America's top 50 bosses doesn't include anybody whose outfit is listed in Dun & Bradstreet.

No. 1 is Anthony (Fat Tony) Salerno, a cigar-chomping, 75-year-old New Yorker tapped as the nation's top Mafioso.

Fortune, a business magazine known for ranking the 500 largest corporations, branched out this week with its list of "The 50 Biggest Mafia Bosses."

Salerno, the reputed boss of the Genovese crime family, was ranked No. 1 by law enforcers who assessed mobsters' wealth, power and influence.

Fortune gave second and third place to two more Anthonys: (Big Tuna) Accardo of Chicago and (Tony Ducks) Corallo of New York.

Frank Balistrieri, 68, of Milwaukee, was listed as 17th. He is now serving concurrent 13-year sentences on 1983 and 1984 convictions for extortion and sports bookmaking. In a separate case, he is serving a concurrent 10-year term for his 1986 conviction for skimming gambling receipts from Las Vegas casinos. He is being held in a maximum-security prison in Lewisburg, Pa.

John Gotti, the reputed boss of the Gambino family, allegedly the nation's largest single crime network,

Anthony (Fat Tony) Salerno

may not be happy with his rating. Fortune put Gotti 13th on its list, just ahead of the long-retired and imprisoned Joseph Bonanno.

Gotti lacks a colorful nickname, but his custom suits, Mercedes 450 SL, impeccable hairstyle and alleged role in the sidewalk slaying of predecessor Paul Castellano have given him much publicity.

"His superstar status is more image than substance," said Fortune. "He does not seem qualified to run the Gambino family's complex businesses, which range from meat and poultry sales to a garment industry trade association."

"Organized crime is, among other things, a potent economic force," managing editor Marshall Loeb explained in a note to readers. "Yet rarely, if ever, has the press examined the mob as a business, one that has its own management style and culture."

According to the article, 'the organization chart of a crime family or syndicate mirrors 'the management structure of a corporation," and mobsters act accordingly:

- Like many a chief executive, Accardo was called back from retirement in Palm Springs, Calif., when other leaders of Chicago's Outfit were imprisoned.
- Salerno and his fellow New York Mafia bosses fixed cement prices, charging a 2% fee for all superstructures costing more than $2 million.
- Carl DeLuna, reputed underboss of the Mafia family in Kansas City, Mo., submitted detailed expense accounts for trips to Las Vegas, Nev., where he supervised skimming of cash from casinos.

The mob, Fortune notes, even has a yuppie: Michael Franzeze, 35, a racketeer's son who strayed from traditional scams to branch out into film production and gasoline tax evasion.

However, only 24 of Fortune's 50 are neither in jail nor under indictment, and only 15 of those are under 70. Highest ranked among them is Vincent (Chin) Gigante, 57, a member of the Genovese family whose power has grown since Salerno's incarceration.

Salerno, Fortune says, was making more money than most Mafia chieftans even before taking the Genovese throne in 1980; he allegedly skimmed large sums from casinos.

Fortune did not give annual income or net worth figures for individuals in the Mafia, a network that the FBI estimates has 1,700 initiated members in about 25 cities.

But Peter Reuter, a Rand Corp. economist who has studied organized crime, said the rankings probably meant very little.

"I couldn't make an accurate list, and neither can anybody else," he said. "This is entertainment, like most organized crime reporting."

DATE OCTOBER 23, 1986

PUBLICATION THE MILWAUKEE JOURNAL

DCIR FILE NUMBER OC-1

COMMENTS RECEIVED OCT 29 1986

DJ-DCI-43 (Rev. 7/79)

WISCONSIN DEPARTMENT OF JUSTICE
DIVISION OF CRIMINAL INVESTIGATION

Federal prosecutor asks judge to make Balistrieri letters public

A government prosecutor Wednesday asked a federal judge to make public letters written by Joseph P. Balistrieri and his mother, Antonina Balistrieri, in support of sentence reductions for Joseph and his brother, John J. Balistrieri.

The letters were submitted to Judge Terence T. Evans about two weeks ago with a request that they be sealed for personal reasons.

Another letter written to Evans by John Balistrieri, 38, which contained a venomous attack on the brothers' father, reputed Milwaukee mob boss Frank P. Balistrieri, was filed as a matter of public record two weeks ago.

John Franke, chief of the Milwaukee office of the US Justice Department's Organized Crime Strike Force, filed a document objecting to the sealing of the documents.

"The only reason offered for the requested sealing is that the letters are personal and that the defendant and Mrs. Balistrieri wish them to be confidential," the document said.

Franke said the government's policy favored "open proceedings in the absence of compelling reasons for closure."

The document filed by Franke opposes motions to reduce the sentences of John and Joseph Balistrieri, 46, that were filed almost two weeks ago.

Frank Balistrieri, 68, is serving concurrent 10- and 13-year sentences for racketeering, extortion and gambling convictions in Kansas City and Milwaukee.

The government document said Joseph Balistrieri's 73-page letter is "little more than a lengthy and convoluted assertion of complete innocence" that should be disregarded by the court.

DATE OCTOBER 30, 1986

PUBLICATION MILWAUKEE SENTINEL

DCIR FILE NUMBER OC-1

COMMENTS RECEIVED NOV 7 19

NEWSPAPER CLIPPING
DJ-DCI-43 (Rev. 7/79)

WISCONSIN DEPARTMENT OF JUSTICE
DIVISION OF CRIMINAL INVESTIGATION

Balistrieri pleads for lesser term

Says Breier could substantiate legality of his conduct

By DAVID E. UMHOEFER
of The Journal Staff

Frank P. Balistrieri pleaded for a reduced sentence Wednesday, invoking the name of retired Milwaukee Police Chief Harold A. Breier in his defense and bemoaning life in a Pennsylvania prison cell.

In a typed letter to Federal Judge Terence T. Evans, Balistrieri, 68, admitted "mistakes and wrong judgments" but maintained that evidence showed his complete innocence of any crime.

The letter makes one short but telling reference to his sons, John and Joseph, both of whom were imprisoned on charges resulting from the same case that sent Frank Balistrieri to prison and who have lamented their father's influence on them in separate letters seeking clemency. The brothers labeled their father an "evil man" in letters asking Evans for reductions of their sentences. Frank, the brothers said, is responsible for their prison sentences on the 1984 extortion conviction.

Frank Balistrieri made reference to his sons' accusations.

"With all of the punishment I have been given, it does not compare to that of losing the relationship with my sons, which was once one of idolatry, to one that now can never be regained, is punishment enough," he wrote.

Buttressing Balistrieri's contention Wednesday that poor health makes his 13-year term tantamount to a death sentence was an affidavit filed by a Madison doctor. The doctor said that after reviewing Balistrieri's medical records, he thought Balistrieri had cancer of the colon.

Balistrieri's letter, weary in tone and less than three pages, dwells on medical problems but also takes up the various accusations made about the Balistrieri family during his longtime tenure as reputed head of organized crime here.

"For over twenty years, I have been the target of the most intensive investigation possible on a city, state and federal level . . . by legal or illegal means," Balistrieri wrote. "With all this put together, there is not one single instance where I talked about or committed an illegal act or crime. . . .

"Chief Harold Breier, who I met when he was on the Vice Squad, and first started in business in 1945, will substantiate that there is no record or report in the entire Police Department that will show even a suspicion of any involvement with loan sharking.

"He had personal knowledge along with records and reports of other police officers . . . that I always conducted my business in an orderly and legal way, complied with every order, and cooperated whenever requested to do so."

Breier maintained throughout his career that there was no prosecutable evidence of organized crime in Milwaukee.

Balistrieri also denied ever dealing in drugs, loan sharking or running a prostitution ring, activities he said "are the ones most mentioned with organized crime."

As for prostitution, Balistrieri said Police Chief Robert J. Ziarnik, a former Vice Squad chief, and former prosecutor Franklyn Gimbel, now president of the State Bar Association, "could not find any entertainer or female employe that could say they were ever asked to do anything wrong or indecent."

Asked to comment, Ziarnik said he could recall no prostitution investigation involving Balistrieri while he headed the Vice Squad.

As for drugs, Balistrieri said, "money has had its lure on me . . . but there is no amount of money that can entice me to get it from drugs, which completely destroy families."

He called his 13-year sentence — on convictions in 1983 and 1984 for sports bookmaking and for extortion involving attempts to take over a dummy vending machine business set up by the FBI — a "harsh sentence in view of the fact there was no monetary gain or any victims of violence."

His surprise guilty plea last year in Kansas City during his trial on charges of skimming gambling profits from Las Vegas casinos was due solely to a doctor's diagnosis of internal bleeding, low blood volume and suspected colon cancer, he wrote. In that case, he is serving a 10-year term concurrent with the 13-year sentence.

DATE DECEMBER 10, 1986

PUBLICATION THE MILWAUKEE JOURNAL

DCIR FILE NUMBER OC-1

COMMENTS RECEIVED [illegible] 1986

THE MILWAUKEE JOURNAL
DECEMBER 10, 1986
OC-1 Page -2

"In agony, believing to have cancer, and knowing that I could never endure another trial, I decided to accept the offer and put an end to one phase of this horrible nightmare," Balistrieri said.

Balistrieri admitted refusing tests and procedures to fully diagnose his problems, saying he was wary of complications and "additional pain and suffering."

"Also, if the test results are positive, the only remedy is chemotherapy or surgery. It's bad enough to be sick in a place like this, and it would not be wise to go through the agony of chemotherapy, and the risk of surgery, just to live longer in here."

"The 10 grueling trips to seven prisons, locked up in segregation, or the hole . . . degraded at El Reno to sit on the floor all night because there was excrement on the mattress . . .

"The humiliation . . . of having people and children stare at me in chains and leg irons in busy private hospitals. This and everything else that has happened to me has taken much from me physically and punished me beyond that which I truly deserve."

Balistrieri told Evans that he wanted to return to Milwaukee only to see his family.

"It's ironic that I do not have any desire to come back to Milwaukee . . . when I turned down a good opportunity to move to Las Vegas, because I didn't want my children raised in that kind of environment," he wrote.

Balistrieri is seeking three things from Evans:

- Halving of his 13-year sentence on the convictions for sports bookmaking and extortion, and conversion of his concurrent, 10-year sentence for skimming Las Vegas casino gambling profits to five years' probation.
- A recommendation that he be paroled immediately if his health deteriorates to a life-threatening situation.

Frank P. Balistrieri

- A recommendation to the US Bureau of Prisons that he serve the rest of his term at the minimum-security federal prison in Lexington, Ky. He is now assigned to a maximum-security prison in Lewisburg, Pa.

Glenn Reynolds, Madison, Balistrieri's attorney, said Balistrieri's mandatory release date was Aug. 9, 1992. Balistrieri, who has served about 31 months so far, would be 74 in 1992.

In support of his contention that Balistrieri suffers from life-threatening medical problems, Reynolds filed an affidavit containing the diagnoses of John F. Morrissey, a physician at University Hospital and Clinics in Madison.

Morrissey, a specialist in treating diseases of the stomach and intestines, has not personally treated Balistrieri. He based his findings on a review of prison medical records from 1986.

Morrissey concluded that there was a reasonable medical probability that Balistrieri's reported troubles with internal bleeding were caused by cancer of the colon. A second, less likely possibility, he said, was a lesion.

A second serious condition is a hernia of the groin area and related complications, Morrissey said. This will require surgery and, together with diagnosis and treatment of the internal bleeding source, a period of hospitalization, he said.

RECEIVED DEC 1986

NEWSPAPER CLIPPING
DJ-DCI-43 (Rev. 7/79)

WISCONSIN DEPARTMENT OF JUSTICE
DIVISION OF CRIMINAL INVESTIGATION

FBI sought to tie Balistrieri to killings, ex-agent's book says

By Michele Derus

The FBI infiltrated Milwaukee's mob-controlled vending industry in 1978 in hopes of tying organized-crime boss Frank P. Balistrieri to some unsolved murders, according to ex-FBI-agent Joseph D. Pistone.

"We wanted to see what else we could get on him" besides extortion, Pistone wrote of Balistrieri in his newly released book, "Donnie Brasco: My Undercover Life in the Mafia."

"We had information, for example, that he had a big bookmaking operation, that he was involved in skimming the take at the Las Vegas casinos, that he was involved with illegal union activities. There was always a chance you could clear up some murder cases."

Pistone, whose six years posing as a Mafia associate culminated in more than 100 felony convictions against mob figures, including Balistrieri, did not specify in which unsolved murders Balistrieri is a suspect.

But Pistone said Balistrieri crowed over the death of Louis Fazio, an underworld associate shot to death outside his East Side apartment Sept. 27, 1972, in a conversation at the "Icebreaker" banquet before the Italian Golf Tournament in 1978.

"He said he had not attended for several years because he was enemies with the guy who once headed the committee, Louis Fazio.

"'But now he's dead,' Frank said. 'Five times thirty-eight.' He laughed, but it was no joke. Thirty-eight, as in caliber," Pistone wrote.

Pistone's book also mentions the unsolved murder of August Palmisano, 50, killed by a car bomb outside his East Side apartment in 1978 — in the midst of the FBI investigation.

"Our people came up with some information about it. Palmisano was with the Balistrieri family and the mob suspected he was an informant," Pistone wrote.

After the bombing, "the word was that guys were starting to put remote-controlled starters in their cars," Pistone wrote.

Balistrieri was assured by New York mobsters that he could trust Pistone, who used the name Donnie Brasco, and Pistone's undercover partner, Gail T. Cobb, who used the name Anthony Conte, Pistone wrote.

After receiving those assurances, Balistrieri pointed his finger at Cobb and said, "We was gonna hit you. We thought you

Book Turn to Page 9

RECEIVED JAN 19 1988

DATE January 9, 1988

PUBLICATION Milwaukee Sentinel

DCIR FILE NUMBER OC-1

COMMENTS

January 9, 1988
Milwaukee Sentinel
Ex-FBI agent writes ....

Ex-FBI-agent writes of Balistrieri in book

Book From Page 1

was the G," Pistone wrote.

G means G-Man, or FBI agent, Pistone explained.

Balistrieri, 68, is serving concurrent 10- and 13-year sentences for convictions on extortion, racketeering and gambling charges.

Pistone, 48, left the FBI in 1986 and now is living with his family under an assumed name. He said his work put a tremendous strain on his wife and three daughters, who essentially grew up without him, and struck fear into much of his family.

Cobb, who posed as a vending machine operator and briefly went into partnership with Balistrieri, also has retired from the FBI. Pistone never refers to Cobb as anything besides "Conte" in the book, and protects the identity and location of other agents too.

Most of Pistone's revelations about the FBI's undercover work in Milwaukee are not new.

Over the course of four trials involving Balistrieri and his two sons, Joseph and John, ex-lawyers each serving eight-year prison terms for extortion, a vivid portrait of mob operations and the Balistrieri family itself emerged.

But some information is broader than that admitted for trial purposes. Other information, like Pistone's reaction to the elder Balistrieri, is new.

Pistone described the elderly Balistrieri as "short and pudgy, with a jowly face and black, slicked-back hair."

When they met, Balistrieri was "immaculately dressed in a dark blue suit, like an old-time Mafia guy out of the movies."

Balistrieri whisked through $70 bottles of wine, "had some education — wasn't a 'dese' and 'dose' type" and was a fairly dull conversationalist except when talking of suspected slights, when "his face and voice turned mean," Pistone wrote.

"I thought, 'This guy could lull you to sleep, but he is nobody to mess with,'" Pistone recalled.

Benjamin (Lefty) Ruggiero, the New York con-man who introduced Pistone and Cobb to organized-crime society, described Balistrieri as "moody, nasty," a "Jekyll and Hyde" who doesn't forgive and forget transgression, Pistone wrote.

According to Pistone's account of Ruggiero, Balistrieri was still nursing a grudge against a Rockford, Ill., hoodlum "who played him for a sucker once, years ago."

NEWSPAPER CLIPPING
DJ-DCI-43 (Rev. 7/79)

153

WISCONSIN DEPARTMENT OF JUSTICE
DIVISION OF CRIMINAL INVESTIGATION

Life won't be same for Balistrieris when they return here

By JOHN FAUBER
of The Journal staff

Within the next five months, John and Joseph Balistrieri will be back on the streets, but authorities say the community they return to will be quite a bit different from the one in which they operated as organized crime figures.

The two brothers, who began serving five-year prison terms for extortion in January 1986, are scheduled to be released from prison in April, according to federal officials. Joseph could return to the community sooner if his application to be released to a halfway house is approved.

Both are work camp inmates at federal prisons in the Southwest: Joseph at El Reno Federal Correctional Institution in Oklahoma, John at La Tuna Correctional Institution in Texas.

What will their return mean to organized crime here?

John Franke, the former Organized Crime Strike Force lawyer who prosecuted the Balistrieris, said the brothers once again were in a position to have an impact on Mafia activities in Milwaukee.

"It's entirely up to John and Joseph," said Franke, now a Circuit Court judge. "I have no doubt that if they want to assume a leadership role [in organized crime in Milwaukee] that their positions will be respected.

"If they decide to stay out of the business, they are free to do that also."

Joseph Balistrieri

John Balistrieri

Capt. Carl Ruscitti, head of the criminal intelligence unit of the Milwaukee Police Department, said he doubted that the Balistrieri brothers again would pursue a criminal lifestyle. As a condition of their parole, they will have to sever ties with other criminals, Ruscitti said.

"I would say they would be very cautious because of what they've been through. I would say they would be nothing but legitimate."

Legitimate or illicit, they will return with diminished business opportunities.

Both men are lawyers, but their law licenses were revoked in January 1987 because of their felony convictions. They will have to wait until 1992 before they can reapply, said Gerald Sternberg, administrator of the Board of Attorneys Professional Responsibility. Reinstatement of their licenses will require approval of

RECEIVED NOV 15 1988

DATE Sunday, November 13, 1988

PUBLICATION The Milwaukee Journal

DCIR FILE NUMBER OC-1

COMMENTS

NEWSPAPER CLIPPING
DJ-DCI-43 (Rev. 7/79)

WISCONSIN DEPARTMENT OF JUSTICE
DIVISION OF CRIMINAL INVESTIGATION

the Wisconsin Supreme Court.

Joseph Balistrieri owns The Shorecrest Hotel, which includes Snug's restaurant, 1962 N. Prospect Ave. Until 1985, he had been listed on city liquor license records as president of Snug's Inc. After his 1984 conviction, his name no longer appeared as an officer of the corporation, but he retains 50% of the stock in the restaurant, according to City Hall records.

On the 1988 license, Michael Costello, of 4225 S. Griffin St., is listed as the president, registered agent, and owner of 25% of the stock in Snug's. Essie Lee Smith, of 3406 W. Center St., is listed as secretary and a 25% shareholder.

When the Balistrieris return to Milwaukee, they will find a significantly smaller organized crime operation here, according to local and federal authorities. Mafia activity in Milwaukee has been on the decline since the Balistrieri family convictions in 1984, said Michael DeMarco, supervisor of the FBI's organized crime unit in Milwaukee. Their father, Milwaukee Mafia boss Frank Balistrieri, 70, is a serving a 13-year federal prison term for extortion.

"We have perceived very little organized crime activity since that time," DeMarco said. "That doesn't mean it won't come back."

Upon their release from prison, the Balistrieri brothers will have an opportunity to lead the crime-free lives that they once candidly regretted having abandoned in the first place.

In a bugged 1980 conversation after government raids on their law offices, the brothers talked about how they had failed to take advantage of their first opportunity to go straight.

Joseph, the older brother, was talking about his father when he said to John: "The time to make our move was 1975 when we were absolutely clean . . . I mean, now we listened to him, we did it his way, and we were absolutely corrupted. There is no way in the world that we're ever gonna be legitimate."

Their ultimate decision led them to a criminal entanglement with their father.

Franke said the first decision by the brothers to become involved in organized crime had a lot to do with their positions as lawyers and their relationship with their father. When they are released, those conditions will be completely changed, he said.

"They will not be lawyers and their father won't be present. Whatever their choice, things will be very different."

The return of the Balistrieris to Milwaukee will coincide with another event that may have an impact on organized crime activities here. DeMarco and Jerry Gladden, the chief investigator for the Chicago Crime Commission, said the advent of pari-mutuel betting in Wisconsin could result in an increase in organized crime activity, including an influx of organized crime figures from the Chicago area.

Gladden speculated that organized crime bookies and race fixers might be looking to set up their own operations around legitimate pari-mutuel betting.

"That [horse and dog racing] is going to be a very lucrative thing for organized crime," Gladden predicted. "They'll load your tracks and hotels around the tracks with bookmakers and horse fixers."

Scott Scepaniak, deputy director of the Wisconsin Racing Board, said the board would begin accepting applications for race tracks early next year. In order to weed out undesirables, board officials will do extensive background checks on license applicants, Scepaniak said. In addition, he said, a staff of security personnel and race judges will be on hand at tracks.

DATE _____

PUBLICATION _____

DCIR FILE NUMBER _____

COMMENTS _____

DJ-DCI-43 (Rev. 7/79)

WISCONSIN DEPARTMENT OF JUSTICE
DIVISION OF CRIMINAL INVESTIGATION

Balistrieri built empire with threats, violence

First of a series.
By MARY ZAHN
and WILLIAM JANZ
Sentinel staff writers

Far from power and prestige, his todays aren't like his yesterdays.

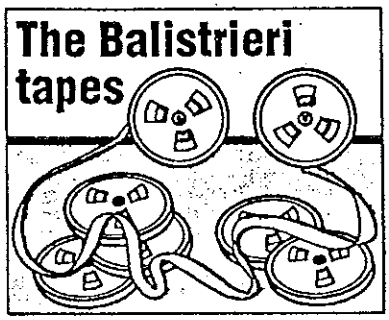
He used to have hundreds of thousands of dollars lying around. Now he rooms with another man.

Working and playing all night, he used to sleep into the afternoon. Now he is required to get up at 6 a.m.

Commanding respect, he lived a life filled with people he ordered around. Now he is told when he can eat and when he can sleep.

Not long ago threats could be made, and money could be skimmed, and murders could be discussed, and crime was his business. Now he wears surplus military clothing.

Milwaukee's most famous gangster is federal prisoner No. 01877-045. At the age of 70, Frank Peter Balistrieri mops floors.



Blood spills out of mob's wars / See PAGE 17.

* * *

Nearly 25 years ago, Balistrieri declared that people must listen to him.

"Everybody knows that (or) they die," he said. "And they'll die, that's all there is to it."

He made that threat during a bugged meeting with criminal associates in an East Side office. He presided. The FBI listened.

"What I want to do is build up a bankroll for the family, for the whole family," he said.

Balistrieri, the most investigated man in state history, directed a powerful criminal organization that involved itself in gambling, extortion, stolen property and violence, according to federal officials.

Like anyone involved in big business, Balistrieri had production problems, and in a conversation with an associate he did some wishful thinking on how he could "take care of a lot of (them)": It would be nice, he said, to own a cemetery and crematorium.

The way Balistrieri operated his business caused a dispute with his father-in-law, the man who formerly operated the organization. The two of them shouted at each other as the older man pleaded for less bloodshed. That was after a meeting in which Balistrieri threatened to kill two men.

A reporter for The Milwaukee Sentinel learned of these conversations when she spent several months searching public records in Wisconsin, Illinois and Missouri.

She discovered hundreds of pages of previously unreported transcripts and memos and tape recordings made during the 30 years that federal, state and local officials investigated Balistrieri, electronically eavesdropping on him, his family and associates.

This series of stories — the most extensive ever done on organized crime in Wisconsin — is based on those records.

Officials spent millions of dollars investigating Balistrieri, a complex individual who once raised money for charity and used to be invited to picnics of the Common Council; a man who commanded attention, often respectfully attending weddings and funerals in his community; a man who had the telephone numbers of many influential people, including entertainers, important public officials, politicians and prominent union leaders.

"There are a lot of people, even in law enforcement who don't realize how important Frank Balistrieri was to the mob," said Gail T. Cobb, a former FBI agent who infiltrated the Mafia here.

Cunning and influential, Balistrieri

SEE PAGE 7 / BALISTRIERI

DATE Monday, October 31, 1988

PUBLICATION MILWAUKEE SENTINEL

DCIR FILE NUMBER ~~06-0-41~~ OC-1

COMMENTS RECEIVED NOV 15 1988

Balistrieri built powerful organization with threats, violence

BALISTRIERI / FROM PAGE 1

had business contacts in many cities, including Fort Lauderdale, Fla.; San Diego; Las Vegas, Nev.; Chicago; and New York City.

Joseph (Joe Bananas) Bonanno, one of the top bosses in the American Mafia in the 1950s and early '60s, visited Balistrieri in Milwaukee and discussed a problem Balistrieri had with a member of the Bonanno organization.

Referring to Bonanno, Balistrieri said, "He showed me power and I showed him respect."

Balistrieri's parents were Sicilian immigrants. His father was a cinder hauler and trucker.

Balistrieri was married in 1939, after he withdrew from classes at Marquette University. He went back to Marquette, but withdrew a second time in 1941.

He had different ideas about a career.

"My idol was Al Capone when I was a kid," he said in a 1980 recording. "That's a true story."

Records show that Balistrieri has been deeply involved in crime here since the 1950s, when his father-in-law, John Alioto, was reportedly in charge.

Electronic surveillance of Balistrieri apparently began in the early 1980s. Since then, federal agents recorded him discussing a broad variety of illegal activities, including murder.

In one tape recording, he talked about hijacked furs with Felix (Milwaukee Phil) Alderisio, an enforcer for the Chicago mob. Alderisio, who is dead, was one of the top men in the rackets in Chicago.

In other recordings, Balistrieri indicated he controlled vending machines and had taken a slice of the gambling here and in Kenosha for years.

He also had hidden interests in strip joints, restaurants and bars.

He was a criminal who never carried a gun, but always carried a threat.

In 1964, he was recorded threatening to kill August Maniaci, who didn't die by threat, but by gun in 1975.

FBI agents said he also threatened to kill Sally Papia, a successful local

F. Balistrieri

J. Balistrieri

Bonanno

Capone

restaurant operator who has friends in organized crime in Chicago and Milwaukee. Balistrieri threatened two employes of Papia, too, according to FBI agents and recorded conversations.

Balistrieri, who was never very successful operating restaurants, seemed to resent Papia's success, federal agents said.

During the past 40 years, Balistrieri knew most of the men who were murdered gangland style in this area, and had disagreements with some of them, according to records.

He was publicly linked in newspaper stories of the day to one of the area's most sensational gangland slayings.

In 1960, Balistrieri had an interest in a bar known as the Brass Rail. Isadore Pogrob, who weighed 370 pounds, managed it from the two bar stools on which he sat.

One night in January, according to the testimony of a police informant, Balistrieri took a phone call at one of his taverns, and then signaled to three men who were sitting at the bar by placing a forefinger beneath his left ear and drawing it across his throat. The men left.

Pogrob's body was found in a ditch in Mequon.

Judging from his conversations and the findings of investigators, Balistrieri's power and influence stretched into high places.

For example, he insisted he controlled Teamster trucking in Wisconsin, Cobb said.

Sometimes, after public officials sought support of the Teamsters in elections, Balistrieri was recorded discussing the candidates, and who he thought could help the family.

His associates contributed to the campaigns of numerous public officials.

Balistrieri also had close ties with some police officers and businessmen.

Nine years ago Balistrieri was recorded arranging for Las Vegas show tickets for a local police officer.

He bragged that he was notified when liquor licenses were changing hands and when some building permits were issued.

Balistrieri also claimed that he paid off police in Kenosha years ago.

In the 1960s, at one of his restaurants, Balistrieri several times feted an IRS agent who was investigating him.

Along with such evidence of his influence, records also contain numerous indications of the money his power brought him.

On a trip to Chicago, a woman traveling with Balistrieri found a grocery sack of money in the trunk of his car.

In one recorded argument over vending machine proceeds, Balistrieri threw $40,000 on the floor and told a Florida mobster that he wanted more money.

By 1980, John Balistrieri, a son of Frank, said that his family was worth $15 million and that it had interests in three restaurants and a hotel, which grossed $379,000 in one year.

Nevertheless, Balistrieri could be cheap. A small man, who patrolled his nightspots in high-priced suits purchased from the dapper side of

the rack, he would order the most expensive wine, but wouldn't pay the bills, leaving them to his sons.

"He never once comes across with a nickel, not even a pretzel," his son, Joseph P., complained while being recorded in 1980.

And, after federal officials found $200,000 in a safe in a raid, Frank Balistrieri's wife, Antonina, was recorded as saying:

"I'm a little upset that he had all that .... I'm a little upset that I have to look at bargains and every time he gave me a $10 bill, he screams."

When agents raided the Balistrieri house, they found the following items on Mrs. Balistrieri's dresser: a prayer card, a small statue of a saint, a rosary and a police scanner.

During a later conversation that was taped, Mrs. Balistrieri talked about her loyalty, and her husband's failure to return it.

"I make him Jell-O every night," Mrs. Balistrieri said.

But that didn't stop Balistrieri from being a womanizer.

"Well, your father, when he has a new toy, he drops the old Raggedy Ann. And then you know what? When the chips are down and he goes back to the Raggedy Ann, and he thinks the Raggedy Ann is going to be affectionate with him. That's impossible."

Balistrieri had a more benign opinion of himself.

During the investigation that concluded with Balistrieri and his two sons being sentenced to federal prison, Frank was recorded talking about a local businessman.

According to Balistrieri, the man said, "The FBI keeps coming up. They wanna pinch somebody. They keep asking me about you. I said, 'You're a wonderful guy.'"

And Balistrieri replied, "Well, I am."

Balistrieri and his sons have denied the existence of such federally labeled groups as Mafia or La Cosa Nostra.

However, recordings showed 25 years ago that at meetings attended by Balistrieri, mobster terms were used that included the designations of soldiers, caporegime chiefs and consiligiere for the top adviser to the crime family.

As long ago as 1960, an FBI memo said:

"Balistrieri has been described as a lieutenant of what in some circles is known as the 'Italian organization' in Milwaukee, which group is said to coordinate criminal work in Milwaukee and arranges for its members to be available for criminal undertakings in any place in the country....

"The Milwaukee group may be under the direct supervision of a similar group in Chicago, which is headed by Anthony Accardo, who allegedly has attended meetings of the Milwaukee organization.

"It has also been alleged that Frank Peter Balistrieri's uncle, Frank Balistrieri, is among the leadership of the 'Italian organization' in San Diego. ... Another uncle, Peter Balistrieri, prior to his death in September 1958 in San Diego ... was also in a leadership capacity.... Another relative ... known as 'Big Jim' Balestrere is alleged to have headed the 'Italian organization' in Kansas City."

Frank Balistrieri was part of a big family. But it often wasn't a happy family.

Tuesday: A threat in Sicilian.

DJ-DCI-43 (Rev. 7/79)

WISCONSIN DEPARTMENT OF JUSTICE
DIVISION OF CRIMINAL INVESTIGATION

Blood from mob's internal wars often flows into public view

By MARY ZAHN
Sentinel staff writer

Organized crime has long been part of Wisconsin's fabric, along with the inherent violence that comes with it, records show.

La Cosa Nostra gained a foothold nationally during Prohibition in the 1920s. Now, the organization is involved in everything from such traditional criminal activities as gambling, loan sharking, fencing and narcotics to new areas involving white-collar business schemes, authorities said.

Here is a list of some of the gangland slayings and violence that have occurred here since 1928. The details are from newspaper accounts of the time.

Tony Kuzmanovich, 1928 — As Kuzmanovich, a saloon and restaurant operator, drove home on W. Wisconsin Ave. at 3 a.m., a touring car with Illinois license plates forced his car to the curb. Two men stepped out and one fired a shotgun blast into Kuzmanovich's head. The shooting was blamed on an underworld beer war.

Jack Zuta, 1930 — Zuta, a member of "Bugs" Moran's Chicago gang, had been questioned by Chicago police in connection with the killing of Jake Lingle, a Chicago Tribune reporter. A few minutes after he left a Chicago police station, Zuta narrowly escaped an assassination attempt.

A few months later, rival gangsters found Zuta at a Waukesha County hotel. Zuta was watching dancers in the hotel's dance hall when six men with machine guns trooped in, ordered the patrons aside and shot Zuta to death.

Robert A. Wilson, 1932 — Wilson was lured by Kenosha tavernkeeper Frank Tylius to a farm near Lodi. Once at the farm, Wilson was beaten and tortured until he signed notes totaling $40,000. Tylius reportedly was behind in payments to two bootleggers. Tylius was arrested for the murder and hanged himself while awaiting trial.

Joseph Dentice, 1932 — Dentice was wounded by four slugs from a shotgun as he sat in a barbershop. Four other people were injured by flying glass. The roots of that attempt apparently were in New York, where Dentice was wounded and a cousin killed two years earlier. Dentice said he had been threatened after identifying gangsters as the killers.

Cesare Cortese, 1936 — Cortese, a tavern operator, was hit with shotgun slugs as he walked toward the front of his tavern to answer a car's honk. Cortese survived and returned the fire with a pistol. Cortese, who distributed jukeboxes, insisted that the shooting resulted from his refusal to continue paying about $100-a-month extortion.

Frank Consentino, 1941 — Consentino, a Kenosha bootlegger, was killed gangland style by two bullets fired from close range into the back of his head.

William (Red) Covelli, 1945 — Covelli was a Kenosha bootlegger and a friend of Consentino's. Covelli was killed by shotgun blasts fired at him from close range as he was about to enter his car and drive to a tavern he operated south of Kenosha.

DATE Monday, October 31, 1988

PUBLICATION / MILWAUKEE SENTINEL

DCIR FILE NUMBER ~~OC-04~~ / OC-1

COMMENTS

Mike Farina, 1946 — Farina was killed by Louis Fazio, a local hoodlum, in revenge for the burglary of another mob associate's home.

John DiTrapani, 1954 — DiTrapani, 40, was found dead in his bullet-riddled car near 425 N. Van Buren St. by two cruising patrol officers. He had been shot six times with a .45-caliber pistol. Reports at the time indicated that the local leadership of the Mafia had been switching from an older to a younger group, and that DiTrapani may have been connected with the younger group.

Jack Enea, 1955 — Enea, a minor hoodlum, was found shot to death in a roadside ditch in rural Waukesha County. He had been taken for a ride, gangland style, and had been shot at least six times. In reporting his death, one newspaper article noted: "The Mafia is rarely spoken by name in the Italian district here and when it is mentioned, it is with guarded fear."

Blackie (The Sieve) Sullivan, 1956 — Sullivan was nicknamed "The Sieve" because he survived three gangland attempts on his life. He finally succumbed to a medical condition related to the previous bullet wounds he had received. Underworld rumors at the time said Sullivan was a target because of attempts to "muscle in" on the Chicago slot machine syndicate. He was questioned by police here in connection with several violent crimes, including the murder of DiTrapani.

Isadore Pogrob, 1960 — Pogrob, who operated a Downtown tavern linked to Frank Ballstrieri, was found shot to death in a Mequon ditch.

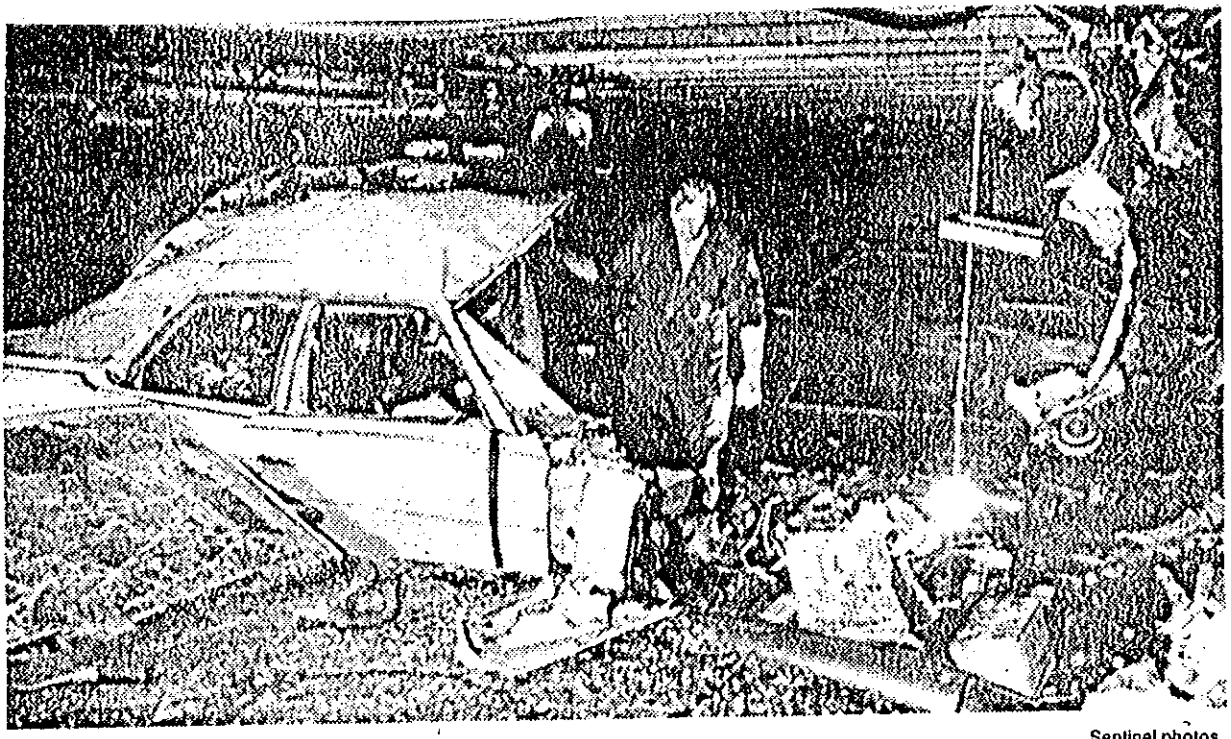
Anthony Biernat, 1963 — Biernat, owner of the Lakeside Music Co., a vending machine company, was abducted from his car by three men at the North Shore railroad depot in Kenosha and was beaten to death by his abductors. His body was found buried in a shallow grave in the basement of an unoccupied house on the grounds of the former Bong Air Force Base.

Louis Fazio, 1972 — Fazio, who served almost a dozen years in prison for the murder of Mike Farina in 1946, was shot to death outside his home. At the time, he was employed at his family's Downtown restaurant.

August Maniaci, 1975 — Maniaci, a small-time hoodlum, was shot to death in an alley behind his East Side home. Five .22-caliber bullet wounds were found in Maniaci's head. Federal authorities believe that Maniaci was a loser in a power struggle — stretching back to 1961 — over who would succeed John Alioto as boss of the Milwaukee Mafia. The winner in that struggle was Ballstrieri, Alioto's son-in-law.

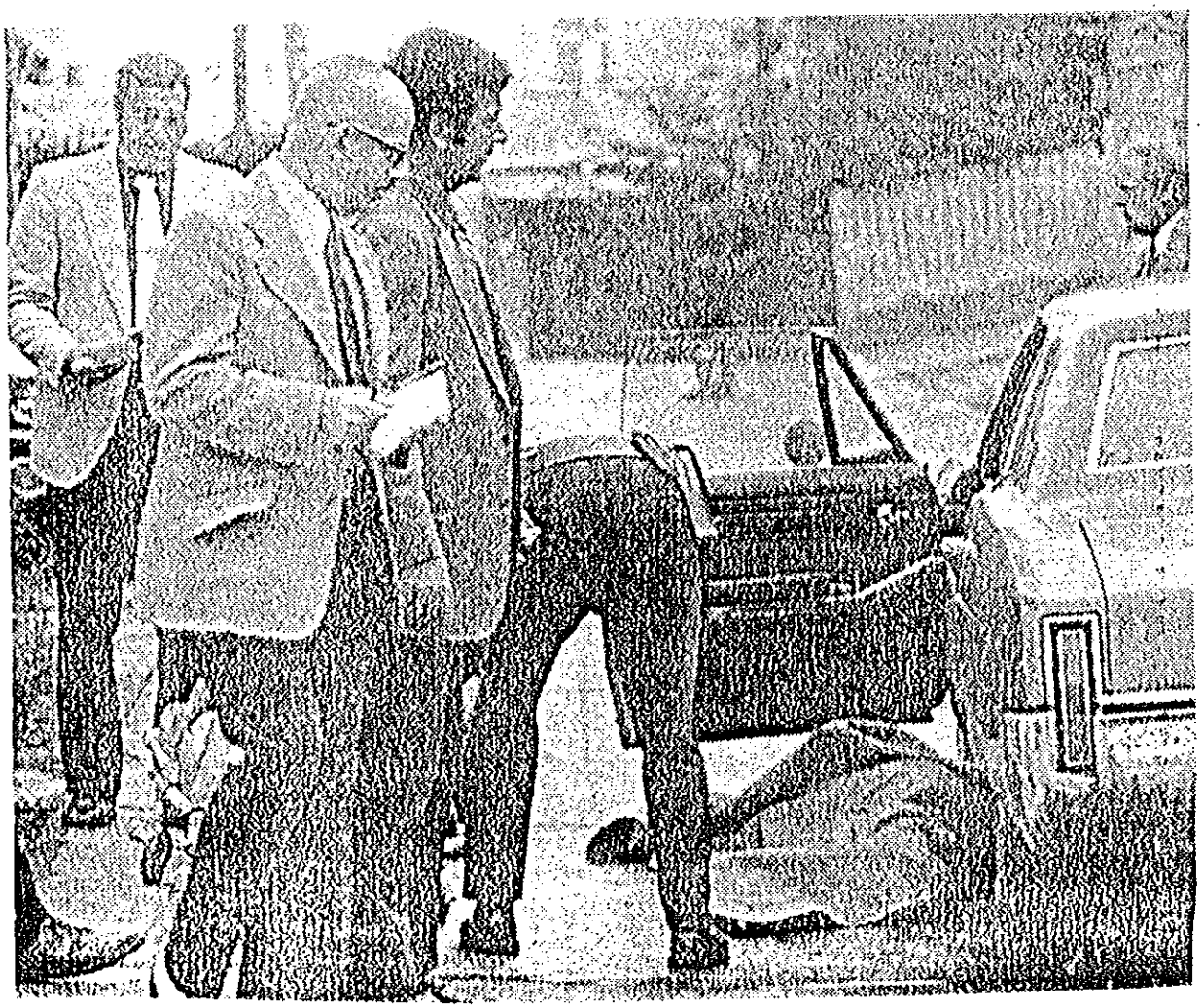
Vincent Maniaci, 1977 — Maniaci, the brother of August, was a federal prisoner at a halfway house here, serving time on extortion charges, when dynamite and an electronic detonator were attached to his 1969 Buick Electra. The dynamite was discovered when Maniaci drove to a garage to complain of car trouble. Authorities said loose wiring probably prevented the dynamite from exploding.

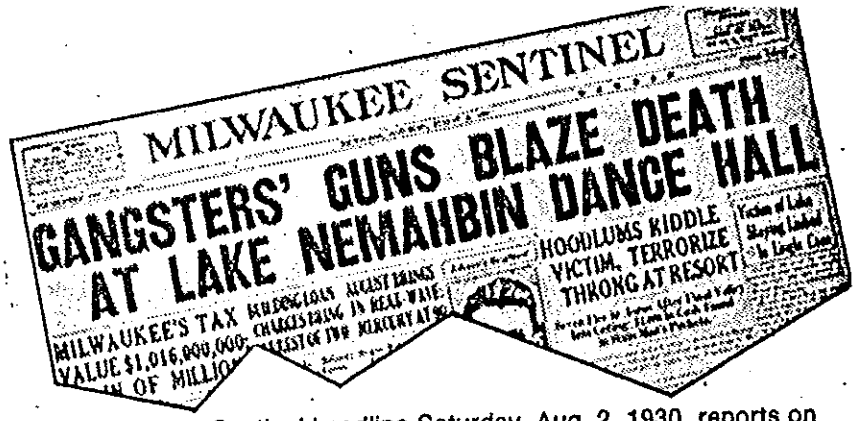
August Palmisano, 1978 — Palmisano, who ran a local produce company and tavern, was blown up when his car exploded in an underground parking garage. Palmisano, officials said, had been placed on the mob's troublemaker list for protesting too publicly about the attempted bombing assassination of Vincent Maniaci, a close friend. Palmisano's brother, Ted, was married to Ballstrieri's sister, officials said.



Sentinel photos

A member of the police bomb squad (above) examines the remains of the car in which August Palmisano died in 1978 when a bomb exploded. Police (below) prepare to move the body of August Maniaci after he was shot to death in 1975 behind his home.





MILWAUKEE SENTINEL

GANGSTERS' GUNS BLAZE DEATH AT LAKE NEMAHBIN DANCE HALL

HOODLUMS RIDDLE VICTIM, TERRORIZE THRONG AT RESORT

MILWAUKEE'S TAX

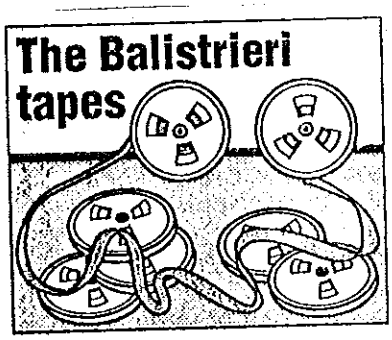
VALUE $1,016,000,000

The Milwaukee Sentinel headline Saturday, Aug. 2, 1930, reports on the slaying of Jack Zuta, Chicago gang member who was killed by six men with machine guns at the Lake View Hotel dance hall in Waukesha County.

DJ-DCI-43 (Rev. 7/79)

WISCONSIN DEPARTMENT OF JUSTICE
DIVISION OF CRIMINAL INVESTIGATION

Family feud erupted over Balistrieri's penchant for bloodshed



Second of a series

By MARY ZAHN and WILLIAM JANZ
Sentinel staff writers

It was a meeting about bloodshed. Frank P. Balistrieri wanted some. His father-in-law didn't.

After Balistrieri threatened to kill at least two men, he shouted at his father-in-law, who pleaded for a more merciful solution.

"*L'amazzari,*" Balistrieri said in Sicilian, meaning, "I got to kill them."

The meeting was in 1964, when once again Balistrieri was upset with August J. Maniaci, a small-time businessman, pizza cook and sometime associate of Balistrieri.

Balistrieri's threats against Maniaci — which apparently were nothing new — were made at a meeting that included some of the top advisers in Balistrieri's organized crime family.

The meeting was conducted mostly in Sicilian.

The sometimes joking, sometimes serious, sometimes emotional, sometimes wild meeting was tape recorded by the FBI.

The meeting ended after John Alioto, the former chief of organized crime here, commented on the business style of Balistrieri, Alioto's son-in-law and the current head of organized crime.

"I don't know why you're so anxious for blood," Alioto said.

Earlier in the meeting, speaking in Sicilian and English, Balistrieri said, "Let's talk about our soldiers. What a bunch of garbage that we've got. We really have a bunch of garbage. We have as good a family now as anywhere in the United States, but we still got garbage."

Referring to Maniaci and John Aiello, Balistrieri said, "At first, we had decided to leave them alone, as if God forgave them. To leave them alone again. For a while, they were like strangers. But, you know, I can't throw anybody out from our family. There is an order here, and I'm not going to go against that order. I can make who I want but I can't throw nobody out.

"So therefore I got to kill them.... So with these (Maniaci and Aiello)

SEE PAGE 11 / TAPES

DATE Tuesday, November 1, 1988

PUBLICATION MILWAUKEE SENTINEL

DCIR FILE NUMBER ~~OC-0-41~~ OC-1

COMMENTS

Balistrieri, father-in-law

feuded over violence

TAPES / FROM PAGE 1

they're not worth the bullets. They're not worth a nickel worth of bullets. They are the cancer of this family in Milwaukee. They brag a lot, they tell everybody who they are. . . .

"And yet we try to keep them in line and they're telling everybody that they're making money. And that Vince Maniaci (the brother of August Maniaci), that's a real cancer. What am I going to do with that?"

At another point, Balistrieri said, "Augie Maniaci, I don't even want to bring it up anymore, and John Aiello."

Maniaci, who was 54 then, and Aiello, who was 48, were among eight people arrested in what police called a fraudulent home improvement ring in 1961. The local and state investigation of this scheme went on for several years.

Referring to Maniaci and Aiello, Balistrieri said, "We fight one way to keep our prestige, then these two come along to tear it down. So you see, we've got to maintain the family."

Balistrieri apparently spoke Sicilian as a sign of respect to the older men at the meeting, although he sounded more comfortable speaking English. Alioto was referred to several times as *zzu Vanni*, or Uncle John, another sign of respect.

However, there weren't many signs of respect near the end of the meeting, when Balistrieri and Alioto, who reportedly often did not get along, shouted at each other.

During the argument, Alioto sounded emotional as he pleaded with Balistrieri in Sicilian and Balistrieri replied in English.

The recording did not reveal who Balistrieri was talking about when he said, "I'm going to give him a last warning."

"Frank, listen to me, if you respect me, forget about it," Alioto said.

"But he's got to pay," an unidentified man said.

"If somebody from Chicago comes in and tells you to do it, you do it," Alioto said. "If somebody from New York comes and tells you to do it, you do it. And there's no need to. I can handle it. I can do it."

"We been through this thing 100 times," Balistrieri said. "You think I'm going to forget it or swallow it? I don't see nothing to swallow."

"If you respect me, if you respect your father-in-law, please do me this big favor," Alioto said. "Do this for me, Frank.

"You never did a goddamn thing for me," Balistrieri said. "You make up your mind one way or the other, because I'll show you who's close and who's not close. . . . I just want you to mind your own business the way you're supposed to mind your own business."

"I beg you like a son," Alioto said.

Noting that he was often criticized in newspapers, Balistrieri said, "You ever come up and say, 'You need anything, you want anything?'. . . It's your obligation to come to me, not me to you."

At one point, in the midst of shouts, Alioto said something about dying and Balistrieri shot back, "You're not going to die, *he's going to die*."

"I don't know why you're so anxious for blood," Alioto said. ". . . Do it for me, do it for me. . . . I'm your father-in-law. You married my daughter, your kids are my grandchildren. . . . Do something for me, show you care."

Alioto also asked Balistrieri if Balistrieri thought Alioto was garbage.

"You've been for yourself all your life," Balistrieri said. "You never did anything for me."

Balistrieri said it was time to leave.

"I hope you open up your goddamn heart because you have no heart for me," Alioto said. "Think this through and you'll realize that your father-in-law was right."

At another meeting, at which Augie Maniaci was present, Maniaci seemed to refer to the fraud case against him.

"And you know, this is serious," Maniaci told Balistrieri. "I can get 15 years. I am charged with one count that I can get 15 years and there's seven of them. They can throw away the key if they want."

Apparently referring to another person involved in the fraud scheme, Maniaci said, "You know what I told him? . . . To keep you all out I'll take the rap for everybody. And you get out and you support my family, take care of them."

Maniaci once operated an East Side tavern with his brother, Vincent. Their father, Nunzio (Pop) Maniaci, was a widely known restaurant owner and leader in the Italian-American community.

Maniaci's explanation of his problems apparently didn't satisfy Balistrieri.

After Maniaci left the meeting, Balistrieri said, "I'll tell you something, I am very, very disgusted."

Balistrieri said Maniaci had told him Maniaci was afraid of the FBI.

"A true member of the family would just keep his mouth shut . . .," an unidentified man said.

Balistrieri then asked his consigliere (top adviser), whom he didn't name, to look into the matter involving Maniaci and Aiello and report back.

Besides the mortgage fraud case, Maniaci was the subject of another case. The case was No. 1794:

"DOB: 6/16/09. Date: 9/11/75, 8:30 a.m. Date-Time Injury: 7:20 a.m. Place Injury: Alley to the rear of 2121 N. Newhall St.

"Immediate Cause of Death: MULTIPLE GUNSHOT WOUNDS TO THE HEAD."

Two years after August Maniaci was murdered, an attempt was made on the life of his brother, Vincent. However, the dynamite attached to the engine of Vincent's automobile did not explode because the wiring was loose.

August Palmisano, who was a friend of Vincent Maniaci and who had had a heated argument with Balistrieri, was blown up in his car in 1978.

Balistrieri is serving a 13-year term in federal prison on extortion and other charges.

But not for murder. Or for talking about it.

Wednesday: A grip on gambling.

Judge's career was filled with links to crime figures

In 1961, Hugh R. O'Connell, an assistant district attorney, issued charges involving forged mortgages against August Maniaci, John Aiello and six other men. Later, O'Connell's working file disappeared, and wasn't found for two months, which caused a controversy.

O'Connell

The charges were dropped at the request of Dist. Atty. William J. McCauley and O'Connell, who cited lack of evidence, although state officials continued the investigation.

McCauley and O'Connell said the file that had been missing did not affect their decision to ask for dismissal.

Later, advocating a get tough policy against organized crime, O'Connell was elected a circuit judge. He appointed Frank Balistrieri's son, Joseph, as a court commissioner.

Joseph and his brother, John, were sentenced to prison with their father. O'Connell died last year.

In 1975, two men who were being investigated, John J. Schlecter and Joseph Basile, were recorded discussing O'Connell. Schlecter, who had been arrested and had agreed to help investigators, was wearing a body recorder.

The district attorney's office issued prostitution related charges against a number of Balistrieri associates. In addition, Herbert Holland, who ran a massage parlor, was arrested on two counts of armed robbery and one count of endangering conduct regardless of life.

Sources said that Basile, in an attempt to have Holland's bail lowered, went to see Angelo Fazio, a Milwaukee restaurant owner who later was convicted of prostitution related charges. Fazio knew O'Connell, who set high bail for Holland.

Basile: "He's (Fazio) tried to get the bond cut down to $10,000 and O'Connell got off the bench."

Schlecter: "Did he?"

Basile: "Don't you know why you went in front of (Judge) Bjork? O'Connell stepped down. He wouldn't hear the case against you. He's one of the judges we've been talking to for 10 years. That's O'Connell. He wouldn't hear it. You know, I went to talk to Hugh and he says, 'Ah, I stepped down.'"

In a note that he sent to Reserve Judge Carl E. Bjork, O'Connell said he did not object to Bjork reducing Holland's bail.

DJ-DCI-43 (Rev. 7/79)

WISCONSIN DEPARTMENT OF JUSTICE
DIVISION OF CRIMINAL INVESTIGATION

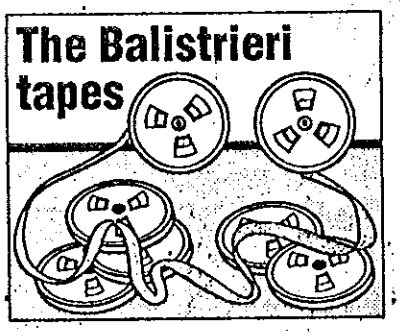
Intimidation, force kept odds in Balistrieri's favor

Third of a series
By MARY ZAHN and WILLIAM JANZ
Sentinel staff writers

The kingdom of Frank P. Balistrieri wasn't built with bricks but with bookies, vending machines and persistent threats.

"Every once in a while you have to teach someone a lesson," Balistrieri said during one taped conversation.

An expert at intimidation through threats of murder and mayhem, Balistrieri was recorded during a dispute as saying, "It would be a sin to kill a friend of ours."



Nevertheless, he said, if they were going to do it, they should do it immediately.

During several periods in the last 30 years, the FBI recorded the conversations of Balistrieri, who made his life a gamble and lost. He is serving a sentence of 13 years in federal prison.

In 1979, during a discussion with Frank Chovanec, a longtime Cudahy alderman who had worked at two of Balistrieri's nightspots, Balistrieri said he liked gambling, but narcotics "no way. . . . See, gambling I'm not adverse to."

Not when one of Balistrieri's employes would bring him $45,000 at a time; or when bookies in town took in as much as $47,000 a day.

Balistrieri's organization had one bet writer who carried $20,000 to $30,000 to work so the bookie could cash checks at American Motors Corp.

This bookie, Carl Micelli, charged "2% of the check for the service of cashing the check and also deducts the gambling debts owed to him by bettors," according to an affidavit filed in court when Micelli was sentenced to prison.

One of Balistrieri's bookies was 76 years old; another was a young married man who once turned in his bets early because he was taking his kids to the circus.

Balistrieri controlled or received cuts of much of the gambling here for many years, federal officials said.

During a meeting in 1964, Balistrieri apparently referred to the cut of gambling money he was receiving when he said, "The bookies were used to not paying. Now they have to pay."

Grand jury and John Doe investigations had been going on, and Balistrieri, sounding kindly, said, "There isn't a book in this town now that's making any money. . . . You see the papers about 15 to 20 of them are arrested. They got families to support. You've got to see to it that they live, that they eat.

SEE PAGE 12 / TAPES

DATE * Wednesday, November 2, 1988

PUBLICATION MILWAUKEE SENTINEL

DCIR FILE NUMBER ~~OC-0-41~~ OC-1

COMMENTS

TAPES / FROM PAGE 1

"My problem is when things were good, they were good for everybody. Now things are bad, but they're bad only for me . . . .

"Some of the bookies are getting cute. If I tell them to do something, they don't listen. What does one do?"

An unidentified man said, "If they don't listen to you, you get a couple of boys, send them down there, and break their ass."

The reference apparently was to Kenosha, where Balistrieri had strong ties.

Twenty-seven years ago, in a memo to the Internal Revenue Service, an FBI agent wrote:

"Balistrieri sent three of his boys around Kenosha to take over all the gambling activities there. . . . They succeeded in taking over all of the Kenosha gambling ventures and left only one man with 10% of the business. . . .

"Originally this gambling business consisted of operating horse book and crap games."

The Balistrieri group "had a race wire line coming into Kenosha from Waukegan, Ill.," the memo stated. "This line was supposedly backed by . . . (a man) representing the Chicago syndicate and . . . a Waukegan hoodlum."

A Kenosha man allegedly handled police protection for the gambling operation, the memo stated.

"A source in Milwaukee advised that he had recently had an opportunity to observe the gambling operation in Kenosha, and that . . . (the Kenosha man) is actually operating the Kenosha gambling on behalf of Frank Balistrieri, who controls it; that this gambling is taking place next door to (a) restaurant."

The owner of the restaurant was receiving a portion of the take from the crap game in exchange for the use of his place, the memo stated.

"This same source went on to state that although . . . (the Kenosha man) actually supervises the dice game, Steve DiSalvo or Buster Balestrere usually drop in from Milwaukee to make certain that everything is going right."

In those days, Balistrieri also was concerned about vending machines, and his concerns sometimes upset him, judging from tape recordings of some meetings.

Balistrieri did not like it that a tavern run by Santo Marino had vending machines owned by Robert Puccio.

Balistrieri asked members of his crime family if Marino was family material. Answering his own question, Balistrieri said, "No, because he lied to me."

Mentioning Puccio, Balistrieri said, "He's OK. If I talk to Bob Puccio, Bob Puccio will listen to me.

"E iddu sa passa troppu buonu pi muoriri," Balistrieri said in Sicilian, meaning "he's doing too well for himself to die."

"Bob respects me. Bob listens to me," Balistrieri said, with a strong indication that Puccio would be hurt if he didn't.

Later, referring to the bar owner, Balistrieri said, "I don't think Santo (Marino) has the ability to be a soldier. And for me, it would be a sin to kill a friend of ours.

"If we're going to kill him, we're going to kill him right away. That's the best thing. . . . In my estimation, he does not deserve to be in the family."

> "If we're going to kill him, we're going to kill him right away. That's the best thing. . . . In my estimation, he does not deserve to be in the family."
>
> — FRANK BALISTRIERI

One of the elders present was designated to tell Marino not to make deals outside the family.

"Personally, I want to throw him out of the family, but I can't because some guy in Chicago likes him," Balistrieri said, indicating the Chicago mob, which often controlled actions of the Milwaukee mob.

"If he (Marino) gets caught in a lie, he dies," Balistrieri said.

Regarding other vending machine activity, a memo by an official of the Internal Revenue Service said that Sam Cooper, who worked for a local vending company, sold more than $20,000 worth of equipment to Balistrieri around 1964.

Cooper was a brother-in-law to "the slain Herman Paster, who formerly operated Paster Distributing Co., which was managed by Sam Cooper," the memo said.

Paster, 57, who often visited Milwaukee, was shot to death in October 1960 at his home in St. Paul, Minn.

"The shooting resulting in the death of Paster was done shortly after his return by plane from Milwaukee," police records said. "It was done as Paster sat in the den in the rear of his home from outside the back of the house, apparently by a .38-caliber revolver in the gangland manner."

In 1978, Balistrieri cautioned an undercover FBI agent that Cooper, who still sold vending machines in the Milwaukee area, had "no right" to offer any vending routes "to anybody without giving us the opportunity to buy it."

Paster "tried to expand and got too big and didn't have permission and was whacked," Balistrieri said, according to the FBI agent, Gail T. Cobb.

At the time, Balistrieri thought Cobb was trying to get into the vending machine business.

Referring to Cooper, Balistrieri reportedly said, "We're testing him to see whether he offers the routes to you. . . . He had no right to offer it to anybody without giving us the opportunity to buy it."

Cooper, who is now vice president of Pioneer Sales and Service Inc., a local vending machine company, said he had no comment on the matter.

Balistrieri decided to expand his vending machine business in Kenosha County in 1963, state officials said. Balistrieri sent DiSalvo and two other men to tell Anthony Biernat that they wanted a piece of his juke box business, officials said.

Biernat

Biernat told at least one person, officials said, that "there had been more than one visit and that he was concerned about pressures being put on him."

Biernat, 46, owner of the Lakeside Music Co., was abducted from his car by three men in January 1963 and was beaten to death by his abductors.

In 1986, a grand jury sought palm prints from DiSalvo as part of a continuing investigation into the Biernat slaying.

Another man, Anthony F. Pipito, who is in prison on drug charges, bragged to an FBI source that he was the first person to hit Biernat in the beating that killed Biernat. Pipito was an enforcer for the Milwaukee Mafia, federal officials said.

According to federal records, Pipito said the most exciting thing he had ever done was "to hold a shotgun under someone's neck and to pull the trigger."

Thursday: Free dinners for an IRS agent.

DJ-DCI-43 (Rev. 7/79)

WISCONSIN DEPARTMENT OF JUSTICE
DIVISION OF CRIMINAL INVESTIGATION

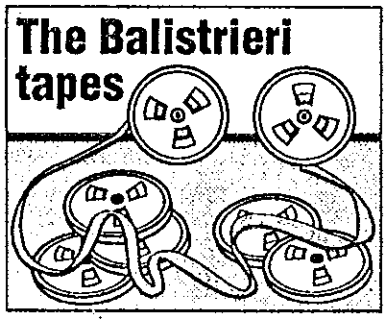
Balistrieri picked up dinner tabs for IRS supervisor

Fourth of a series
By MARY ZAHN
and WILLIAM JANZ
Sentinel staff writers

As FBI agents secretly watched and listened to Frank P. Balistrieri practice his profession, his path through the underworld brought him in contact with a Runyonesque roster of criminals and characters.

It was no surprise to overhear him cutting deals with mobsters like Milwaukee Phil, who was said to have murdered at least 10 people.

And it was not unexpected to learn that his cronies included people like Doc, a devout gambler who was the



resident physician for Milwaukee's mob.

But it was a shock when FBI agents discovered that Balistrieri's dinner guests included an Internal Revenue Service supervisor who apparently had forgotten which side he worked for.

In the 1960s, Balistrieri, who was under investigation by the IRS, picked up restaurant tabs for the supervisor and his family and pumped him for information.

Confidential IRS reports on Balistrieri were turned over to this supervisor who had regular social meetings with Balistrieri, records show.

"The FBI called me one Saturday at my home," a former IRS agent recalled in a recent interview. "He said, 'I'd really like to have you go on surveillance with us. We think you've got a bad apple in the barrel.'"

The man seen meeting with Balistrieri was a supervisor in the IRS audit division, the FBI agent said.

"Every two weeks we had to report to the audit division, and I objected to it strenuously," the former IRS agent said. "I didn't want the information out as to anything we were doing or finding. I was burned up."

The IRS supervisor admitted meeting with Balistrieri, but denied passing on any information of value to him, records showed. After he was questioned about his meetings, he resigned.

In an affidavit, the supervisor said:

"Balistrieri told me that he was being investigated by the Internal Revenue Service. He asked me what he should do and wanted to know what was going on in the case.

"About a month later Balistrieri called me on the telephone and invited me to bring my wife to Gallagher's (a Balistrieri nightclub) to see the show.

"We went on a Saturday night.... Balistrieri came in after the first show and joined us at the table. During the course of the evening, and I think while my wife was away from the table, he asked me to find out for him how the case was going

SEE PAGE 11 / TAPES

DATE Thursday, November 3, 1988

PUBLICATION MILWAUKEE SENTINEL

DCIR FILE NUMBER OC-044 OC-1

COMMENTS

TAPES / FROM PAGE 1

and what Internal Revenue was doing. He picked up the dinner check on this occasion."

At a second meeting at Gallagher's, Balistrieri paid for dinner for the IRS supervisor and the supervisor's wife and daughter, the man said.

"During this evening, while my wife and daughter were away from the table, Balistrieri asked me what was going on and I told him that (one of the IRS agents on the case) had been going to the banks."

Later, Balistrieri invited him to another meeting and this time the IRS man brought his wife, daughter and a friend. He told Balistrieri if he found something out about his case, he'd call him. He claimed that was the last contact he had with Balistrieri.

Several years later, after a long investigation, Balistrieri was sentenced to federal prison for a year and a day on income tax charges. He served slightly more than nine months.

In the 1960s, while visiting Chicago, Balistrieri was recorded in felonious conversation with Felix Alderisio, former Milwaukeean and former prizefighter who was then employed as the top enforcer for the mob in Chicago.

Sgt. Carl Menconi, of the Chicago Police Department, knew Alderisio. Menconi recently described him as gentlemanly. That was the good part.

Menconi added this: "His eyes looked through you. Ice. They would make you shiver."

On a cold day in January 1965, Alderisio and Balistrieri discussed what to do with a load of hijacked furs.

Alderisio: "Is the guy ready to do business?"

Balistrieri: "Yeah, I told him."

Alderisio (interrupting): "I'll take the load over to him."

Balistrieri: "For a big bill he says."

Alderisio: "They want to know. The guy has to come and look. He's gotta know if they're male or female (skins)."

Their conversation ended abruptly when the phone rang, and Balistrieri left Alderisio's office in Chicago, according to federal records.

When Alderisio, 59, died in prison in 1971, federal officials estimated that he had murdered 10 people and directed a team of killers who were responsible for many more murders.

As Balistrieri's importance in the mob became clear, the FBI began tape recording as much of his life as they could reach with their "bugs."

One of Balistrieri's regular haunts was then a Milwaukee restaurant, which federal surveillance logs referred to as a stop for "the strong arm group for La Cosa Nostra Milwaukee." Other visitors included people named Bananas Joe, Spaghetti Red and Doc.

When Doc wasn't giving free medical advice to hoodlums in the restaurant, Doc's favorite spot was a phone booth there where he'd call in bets of hundreds of dollars. The physician died years ago.

Two men in the restaurant were recorded seriously discussing whether furs or jewels would bring the best return when they "knocked off" several places.

On another day, the owner of the restaurant was talking by phone to a person the transcripts don't identify:

"Was you out to see Frank? You meet my compadre Frank Balistrieri? Well what did he say? Did he ask about me? I was wondering if he asked about me. How is he, all right? We ain't doing nothing here. No. No. Frank's mad at me too. You talk to him? No, I mean lately.

"Was he good to you? Had a long talk with him, uh? Who did they kill? (An Italian name was mentioned, but the noise was too loud to identify the individual.) Ya. I know about that."

The owner was one of the last men to see Jack Enea alive, federal officials said. Enea's bullet-riddled body was found Nov. 9, 1955, in a ditch in Waukesha County. He was 49.

During his spotlighted career, Balistrieri often had people front tavern licenses for him, according to interviews and records.

In 1964, a retired man, Edwin C. Meissner, told IRS agents that he agreed to have his name on a liquor license for Balistrieri because Balistrieri had gone to high school with his children.

"I was supposed to be secretary or something like that there," Meissner told officials. "I signed all the checks, you know what I mean. They come in, the head bartender would bring them there, I would sign the checks for rent, beer, whisky, that there. They are all made out. I signed them. I never had a penny in the business. I never put up a penny . . .

"With them fellows (Balistrieri's associates), there was no meeting. It was like sitting around, like this bunch of gentlemen sitting over there, everybody talking. When something seemed to be serious they talked in Italian. I couldn't understand it."

Meissner said that he'd had Balistrieri's jukeboxes and pinball machines when he previously owned a bar.

Thirty years ago, Police Chief Howard O. Johnson alleged that Balistrieri owned five taverns "in whole or in part" and used dummy corporations in which relatives were listed as officers.

Over the years, Balistrieri, who had former tavern owners and relatives front for him, expanded his operations to include business contacts from Florida to California, federal officials said.

An FBI memo, dated Aug. 28, 1978, detailed some of these relationships and was based on a meeting attended by two undercover FBI agents:

"Also present at this meeting were Balistrieri's two sons, Joseph and John Balistrieri, Milwaukee L.C.N. (La Cosa Nostra) Capo Steve DiSalvo, Joe Dennis (believed to be identical to Joseph Dentice) brother-in-law of Frank Balistrieri," and a wealthy California businessman.

"Conversations between Frank Balistrieri and (the businessman) indicated Balistrieri was very well acquainted with and close to (former) Mayor Alioto of San Francisco."

The conversations also "indicated over the years (the businessman) has owned restaurants in (California), three of which he has had burned. He made large amounts of money on all of these fires and, in particular, the last one he made in excess of $250,000. (The businessman) currently has a restaurant and / or a large financial interest . . . in San Francisco. In addition, he owns several banks in California and has business interests in a large shopping mall in (Hawaii).

"From the conversations it was obvious he was extremely wealthy . . ..

"Balistrieri indicated that he was extremely upset with . . . the individual who controls all vending machine operations in McHenry County, Illinois. (It is believed Balistrieri was referring to Joseph Amato, a Chicago LCN member.)

"Balistrieri stated (this man) worked with the Chicago outfit, was making a lot of money and taking care of them, but was not paying the proper amounts to Balistrieri.

"From the conversation it appeared that, although (the man) worked with the Chicago people, he answered to Balistrieri . . ..

"Balistrieri discussed the fact that Jimmy Fazio owns 25% of the Gault Ocean Mile hotel in Fort Lauderdale. Balistrieri was promised 25% of this hotel and this promise had not been fulfilled. Balistrieri is extremely upset over this situation."

He also was upset over a measly $40,000 he received from a mobster in Fort Lauderdale.

According to the memo:

"Frank Balistrieri indicated he was having a problem with a 'wiseguy' in Fort Lauderdale, Fla., regarding vending machines. This individual is a member of the Gambino 'family' of LCN out of New York. Recently this individual met with Balistrieri and offered $40,000 in cash for some unexplained reason."

An angry Balistrieri said he would accept only $250,000, the memo stated.

Balistrieri became so upset over the paltry offering that he messed up the place, tossing $40,000 onto the floor as if it were a wad of old green paper.

Friday: Sally Papia, an archenemy.

DJ-DCI-43 (Rev. 7/79)

WISCONSIN DEPARTMENT OF JUSTICE
DIVISION OF CRIMINAL INVESTIGATION

Sally Papia target of Balistrieri ire, FBI agent says

Fifth of a series

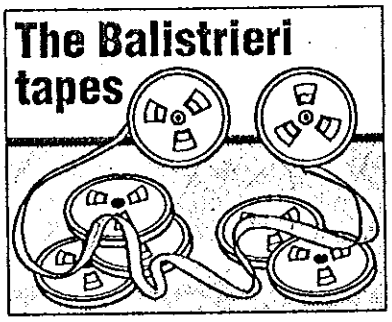
By MARY ZAHN
and WILLIAM JANZ
Sentinel staff writers

One of the people Frank P. Balistrieri reportedly yearned to kill was restaurant operator Sally Papia.

"He hated her," said Gail T. Cobb, an undercover FBI agent who infiltrated Balistrieri's organization.

Balistrieri, who headed organized crime here, threatened to kill Papia in the early 1970s, Cobb said.

And in 1980, Balistrieri angrily denounced Papia and two of her employes during conversations that



were secretly taped by the FBI. Balistrieri threatened to have the two men dumped on her doorstep.

"Every time somebody wants to be tough, they're not around anymore," Balistrieri said.

Papia, the operator of the popular Sally's Steak House, 1028 E. Juneau Ave., is known for her association with public figures, lawyers, union leaders and gangsters.

Apparently, it was her connections with underworld figures in Chicago that shielded her from Balistrieri's wrath.

Papia had no comment when told about the contents of this story.

According to federal officials, Papia bothered Balistrieri in a number of ways:

- She was a successful woman in a business in which he had never been successful.
- Balistrieri was concerned that under pressure she might talk to government agents.
- He didn't know ahead of time that an attempt would be made to torch a restaurant as a result of a dispute she had.

Cobb said Balistrieri's hatred of Papia apparently originated or was heightened while he was serving a prison sentence for income tax evasion in 1971 and '72.

"When he was in prison, Chicago sent up a guy to look after things while he was gone. There were some dealings. I don't know all what they were, but there were some dealings she pulled, and this other guy pulled, and he (Balistrieri) wasn't told about.

"Frank felt she should have been looking out for his interests. Frank wanted to kill her. Frank wanted a contract on her, and Chicago wouldn't let him. That was after he came out of Sandstone (federal prison)."

Frank Buccieri, a Chicago hoodlum, was frequently in Milwaukee during the time Balistrieri was in prison.

Papia had announced in 1970 that

SEE PAGE 13 / TAPES

DATE Friday, November 4, 1988

PUBLICATION MILWAUKEE SENTINEL

DCIR FILE NUMBER ~~06-0-41~~ OC-1

COMMENTS

Sally Papia was target of Balistrieri ire, undercover agent says

TAPES / FROM PAGE 1

she and Buccieri were going to be married, but the wedding was called off.

Now in his late 60s, Buccieri is a roguish looking, tough man who also can be very likable.

A Chicago source said that he once saw Buccieri pay a restaurant bill for a man Buccieri didn't know when the embarrassed gentleman found he didn't have enough money with him.

"Hey, I've been there, I understand," Buccieri said.

Another time, the source said, he saw Buccieri use his fist to launch a man 20 years younger than he was. The man landed across the room.

Buccieri's brother, Fifi, a widely known Chicago loan shark, was recorded laughing about a man being hanged on a hook. That macabre discussion was quoted in the introduction to "The Exorcist," and set the tone for the horror that followed in the widely known best seller.

Balistrieri did not like the fact that Papia got involved with Frank Buccieri, Cobb said.

Cobb added, "He (Balistrieri) would sneer and comment about her in the same tone he used when referring to the FBI.

"On two of three occasions when her name was brought up, he was very sarcastic in his appraisal of her. He forbid one of his girlfriends to go into her restaurant. He didn't want his friends patronizing her (Sally)."

Another source of friction between Balistrieri and Papia was a 1974 arson at the Northbrook Inn, then a restaurant at 9601 N. 124th St. A former employe of Papia's was a partner in the Northbrook operation.

The fire in December 1974 was started without Balistrieri's knowledge, and he was furious that no one had told him in advance.

Joseph V. Basile, one of three men convicted in the arson plot, gave this account of Balistrieri's reaction during a taped conversation:

"The old man's hysterical. Absolutely hysterical. ... Frankie Bal scooped me up with a pistol. He says, 'Why did you burn the joint down without telling me?'"

Sally Papia

Referring to Papia and the fire, Basile said, "She ain't got the clout to be doing this. It probably came through the back door with some friends of hers in Chicago, and it turns out her friends are calling Frank's and giving the ... details, and he don't like it.

"He's more concerned if people are trying to go around him."

Basile also said, "Now, they scooped me up with pistols. He (Balistrieri) says, 'I've gotta talk to you.' He says, 'I don't want to hear no (obscenity).'

"I was afraid to tell 'em. ... I said, 'Well, I'm sorry I didn't tell you.'

"Every ... time I turn around I'm in the back seat of a car. I can't ... believe it," Basile added.

The fire at the Northbrook caused $7,000 damage.

It stemmed from a dispute between Papia and Kurt B. Amidzich, a former chef at Papia's restaurant. Amidzich owed Papia money, left his job with her and went into the Northbrook partnership.

An intensive investigation resulted in Papia being found guilty of extortion for threatening Amidzich.

Three of her associates — Basile, Maximillion J. Adonnis and Russell Enea — were found guilty of conspiracy to commit extortion.

Jacob J. Schlecter testified that he set fire to the Northbrook on orders from Basile. He also testified that Adonnis ordered him to take Amidzich to a garage where Adonnis and Enea could beat him. Schlecter was told by Enea to break Amidzich's wrists so he could never cook again, Schlecter said.

However, police broke up the plot.

Balistrieri's anger with Papia surfaced again in January 1980, after Papia was interviewed for a profile published in The Milwaukee Sentinel.

In a conversation taped after the article appeared, Balistrieri expressed anger with Papia and two men who worked for her.

Mentioning Jim Jennaro and Frank Trovato, whom Papia referred to as her bodyguards in the article, Balistrieri said, "I'll have to show 'em, you know, who is the tough guy.

"I told her I'd go out and drop both pimps, the pimp and the bodyguard right on the doorstep. The only reason I told her that, I'm not gonna do it right now."

In the 1970s, Jennaro was convicted of soliciting a prostitute, a charge that reportedly embarrassed him. He once worked for Balistrieri, but has managed Papia's restaurant since 1972. He is regarded as a likable man who is extremely loyal to Papia.

"He doesn't show me enough respect," Balistrieri complained.

Referring to the nine months and nine days he spent in prison on tax evasion charges in 1971-'72, Balistrieri said, "While I was in jail, Jim Jennaro screwed up, was cabareting, he was entertaining, drinking my whisky ... with his girlfriends ... chicken friends that he had over there and wheeling and dealing. ... Everybody thinks Jimmy's with me. ... He failed me, see?"

Jennaro had operated the Ad Lib, one of Balistrieri's downtown night clubs, from 1965 to 1972. The club booked well-known entertainers, then became a strip joint and in the early 1970s booked female impersonator dancers.

In June 1972, Jennaro became manager of Sally's Steak House.

"I gave him (Jennaro) the job," Balistrieri said in the 1980 recording, an apparent reference to Jennaro being hired by Papia. "And she wouldn't have hired him until I told her, 'Hire him.'.. Soon as I take my arms ... off of him, Sally'll fire him.

"I took him off the banana truck and put him over there, and he hasn't been coming around, not even once."

Referring to Papia, Balistrieri said, "So ... she comes down with another bodyguard ... and then I told 'em about it, and she says, 'Well, Jimmy Jennaro loves you. ...'

"'Keep your ... mouth shut,' I said, 'When I get in trouble, do I call on Jimmy Jennaro?' ...

"He made all his contacts at the Ad Lib. When I was in jail he, ah, he abandoned me. No, I'm through with every, with, with everybody and I mean it, and I told my guys, too, either they go to work, no bonuses out, not after last year. ..."

Balistrieri also indicated in the rambling conversation with his son, Joseph P. Balistrieri, that he was upset with Papia for hiring Trovato, who — like Jennaro — was said to be a friend of Buccieri.

As the conversation continued, Balistrieri's comments became increasingly fragmented and difficult to understand.

Near the end of the tape, Balistrieri suggested that Papia had wanted to join with him in an unspecified enterprise and that she had made some promises to an unidentified party.

"See, they either expect something from her, has promised something. Not that she would deliver, but with her big mouth, she'd implicate us."

Balistrieri apparently was still concerned about her, despite the fact that she had demonstrated a certain degree of toughness over the years.

Papia went to jail for 60 days under a work-release program on the Northbrook extortion charge, rather than talk to authorities about what she knew of the underworld.

And a few years earlier, her unflappability was documented when she was shot at while driving on an expressway here. Balistrieri was not involved in this incident.

Someone fired a shot which struck the rear door of her car. The gunshot was meant to scare her as a result of a business dispute, but she had too many associations here and in Chicago to be frightened then, she told friends.

The man who shot at her reportedly left town.

Saturday: A meeting of two Godfathers.

DJ-DCI-43 (Rev. 7/79)

WISCONSIN DEPARTMENT OF JUSTICE
DIVISION OF CRIMINAL INVESTIGATION

Top mobster Bonanno visited Balistrieri to discuss problems

Sixth of a series
By MARY ZAHN and WILLIAM JANZ
Sentinel staff writers

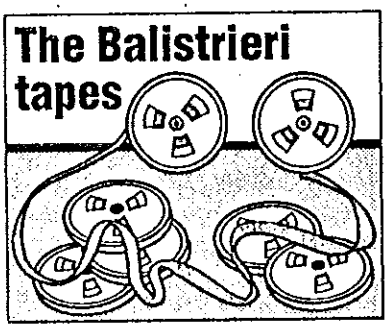
One of the top mobsters in America had problems that included Frank P. Balistrieri, and their dispute caused such bad feelings that the two men finally met in Milwaukee to discuss it.

Balistrieri's attitude was: "I run my town as I see fit."

In the 1960s, the sensational difficulties of crime boss Joseph Bonanno were on front pages of newspapers across the country.

Bonanno, known as Joe Bananas, was a rugged-looking, handsome New Yorker who picked up his suntans in Arizona and had an empire that reportedly had interests on several continents.

The government was after Bonanno, and so were other mobsters. Bonanno was reported kidnaped and murdered, but he showed up mysteriously after being gone for 18 months.



He came to Milwaukee in 1964 to talk to Balistrieri about a dispute between members of the two families during the turmoil before his disappearance.

But prior to that meeting, Balistrieri, head of organized crime here, met with a man identified as Pete, a soldier in the Bonanno family.

Balistrieri was upset with a relative of Pete, a member of the Bonanno family who had been causing Balistrieri problems. The dispute had gone on for nearly two years, which Balistrieri felt was disrespectful to him.

The FBI secretly taped the meeting. The dispute was the first matter of business:

Balistrieri: "First, we'll take up Mr. Bonanno's matter. Last time we were here, I was called to Chicago and told to do something with Mr. Bonanno.

"Well, I'm both disturbed and disappointed. ... See, I represent the family here, and there's a certain dissatisfaction with your brother-in-law, and naturally in Milwaukee the

SEE PAGE 7 / TAPES

DATE Saturday, November 5, 1988

PUBLICATION MILWAUKEE SENTINEL

DCIR FILE NUMBER ~~OC-0-41~~ OC-1

COMMENTS

TAPES / FROM PAGE 1

family comes first and everybody else is secondary. He could be my own brother, and if he doesn't go along with the rules, if he doesn't follow what the family dictates, then I can't help him either . . .

"But your brother-in-law hasn't respected nobody ever since he's been in Milwaukee. He's done very well for himself. He has completely disregarded everybody, (and) anybody . . . pertaining to the family, he has been aloof from. So, naturally, we — I granted permission to give this man a warning, and Mr. Bonanno interceded. . . .

"And, at that time, I most courteously granted Mr. Bonanno the favor of, er, forgetting what had been started, with the understanding that I would be available to Mr. Bonanno at any place to talk again.

"Because, I mean, I never fight with Tucson, with New York. . . ."

Bonanno

Bonanno had homes in New York and Tucson.

Balistrieri continued: "In your brother-in-law's case, I think that maybe since he got a clearance, his attitude, er, his demeanor is even worse than it was before. He completely disregarded everybody.

"I'd be here all night telling you things that he done, and I got quite disturbed about it. So I called Mr. DiBella. As a matter of fact, we had two or three conversations with Mr. DiBella."

[According to the FBI transcript of the meeting, Balistrieri was referring to John DiBella, who was in charge of the Grande Cheese Co. in Fond du Lac. DiBella was said to be "a very close friend" of Bonanno.

[Bonanno's wife, Faye, held 150 shares of stock in Grande Cheese at the time, but there was no indication if the cheese firm was at issue in the dispute.

[In a conversation taped after the meeting with Pete, Balistrieri said, "That cheese company in Fond du Lac . . . belongs to Milwaukee, and it's under my jurisdiction."

[Officials said there was no indication that the current management of Grande Cheese was involved in organized crime.]

Balistrieri continued his talk with Pete: "I'm sure that Mr. Bonanno doesn't want our family being mistreated here in Milwaukee. . . . First of all, I mean, being a family matter, I'm sure Mr. Bonanno has got enough intestinal fortitude to take the message.

"He said that if Mr. Bonanno can't handle the situation, that either he or his caporegime (a boss) — it's my understanding that Bill (Bonanno's son) is his caporegime — would take the matter into consideration and that they would give me some satisfaction."

As a result of Balistrieri's contacts with members of the Bonanno family concerning the dispute, he told Pete, "I marvel that you come here without any knowledge of what is going on. I'm completely disturbed. And I don't think that this family deserves such treatment.

"Now, I think I was very courteous; I think I was very generous in waiting this time. . . . And I think that the time is getting short on people's part."

Pete thanked Balistrieri for his courtesy. He said that Bonanno had had numerous problems recently. Pete also apologized for being unable to go into details involving Pete's brother-in-law and "give you the satisfaction that you deserve."

Balistrieri: "Well, I want you to understand this now. I really am disturbed. I think I deserve better treatment than that. . . . I run my family as I see fit. We made that friendship with you and I."

Pete: "It was in your father-in-law's place. I said to you that everything was straightened out and don't worry . . . and we thank you. I told my brother-in-law what I had to tell him. To go in a straight line.

"That's all the details I can tell you because . . . (someone) would say to

me, 'You're not a caporegime, you're not a consigliere (counselor), you're not a boss.' Because I'm a soldier. You know that."

Balistrieri: "Nobody is going to tell me how to run my family. I mean the reason that I might have done something and then a guy could say, 'Well, Jesus Christ!' You know what I mean? . . . That's awful dangerous.

"I think that's not right to send, er, when I make a statement and then they misbehave. Then suppose I would have taken action?"

Pete: "If I had a title I could take the responsibility. But as I am, I can't settle anything."

Balistrieri: "The family comes first, Pete. . . . I mean since he left here the last time he just don't give a good god damn for nobody. He conducts himself even worse than what he has done before. His attitude hasn't changed. He's not bigger than us. We're not going to permit that. I'm sure Mr. Bonanno doesn't want that to happen in my town.

"I was willing to go to meet him (Bonanno). I was willing to abide my time. I'm sorry now, I did waste this much time. I think it's a sign of disrespect that when I give a message, that I have no answer. Now I'm sure if there was one of us that wasn't looking for friendship then I would have taken different action.

"As far as I'm concerned, this is the end. . . . I run my town as I see fit. That's it. I don't mean to be stern. I don't mean to give any ultimatums. But this thing has been going on too long without any satisfaction. I bent over backward to be nice, and I think I have been disrespected."

Pete: "Frank, for me I can't take this sort of thing up because it's not up to me, you know what I mean?"

Balistrieri and Pete argued over who was in charge, who was the caporegime, the captain, the "head pants," as Pete called him.

"Balistrieri: "As far as me hanging and waiting for Mr. Joe Bonanno to get ready to talk to me, I don't think I'm too receptive to that."

Another man in the room said: "I think you should wait for Mr. Bonanno, Frank."

Balistrieri: "I got troubles. Nobody has more troubles than I have. I feel very disturbed. . . . I'll tell you something, Pete. Your brother-in-law is in trouble over here!

"These messages aren't carried out the way they're supposed to do. I mean, that's pretty dangerous."

Pete: "I'm 61 years old. If I'd worry about these dangers I'd go and drown myself. I got my superiors. I can't go over their heads. . . ."

After Pete left the meeting, Balistrieri said that if Bonanno came to talk to him he would refer him to a meeting with Chicago mobsters.

However, at a later meeting that was also tape recorded, Balistrieri reported that Bonanno had stopped in Milwaukee to see him.

Mentioning that Bonanno was at "Angelo's house," Balistrieri said: "He made no gesture to talk to me. He just kept on talking and then it got late.

"We went in like a little room and Mr. Bonanno talked for at least 20 minutes. He told us everything, but what we wanted to talk about. After he spoke 20 minutes, Mr. Bonanno said 'I never use the word tired, but I'm tired from speaking so long.'

" 'I said, 'You've been speaking for four hours and now that I wanted to say something, you're tired.'. . . I said, 'I'm not satisfied.'

" 'Well,' he says, 'I'm tired. I'd like to postpone this thing until another time.'. . . He don't want to talk about it. I gotta go back to Chicago and tell them what happened, see? When I go back and tell Chicago what happened they don't like it too much."

[Bonanno eventually was removed from the national commission of the Mafia as a result of his independent attitude, according to federal officials. Sam Giancana, who was on the commission, was the mob boss in Chicago and Balistrieri's boss.]

Referring to Bonanno, Balistrieri said, "Under the circumstances he didn't fool me, nor was I impressed by him. However, the respect that you pay a boss and the courtesy, I gave it to him. . . ."

"He showed me power, and I showed him respect."

Meeting adjourned; further meetings at the call of the chair.

Monday: Campaign contributions.

NEWSPAPER CLIPPING
DJ-DCI-43 (Rev. 7/79)

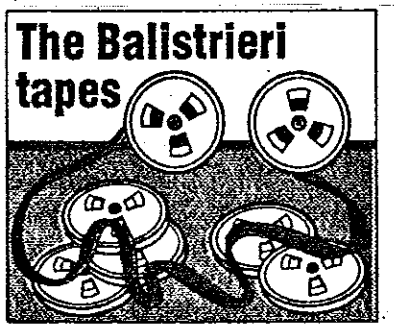
Balistrieri used money in pursuit of official 'friends'

Seventh of a series
By MARY ZAHN
and WILLIAM JANZ
Sentinel staff writers

While working on the wrong side of the law, Frank P. Balistrieri tried to make friends with people on the right side.

He courted public officials and police officers, and tried to make sure in the old days that donations were made to the election campaigns of many aldermen.

When his associates gave money or postage stamps to politicians in the early 1960s, Balistrieri was re-



corded by the FBI as saying, "That means one thing. That means power and money. I'll work with these guys, but we can't make a fuss."

Balistrieri had interests in taverns, restaurants and other businesses that needed licenses.

As a result, people or organizations close to him donated to aldermanic and mayoral campaigns, including a donation of postage stamps to Mayor Henry W. Maier in 1964, according to a tape recording of one of Balistrieri's top advisers.

Many officials, including Maier, were unaware that Balistrieri was connected to the donations, which apparently came from organizations such as the Teamsters Union.

When Frank Balistrieri owned Gallagher's, a nightclub that was

Alderman learned firsthand of Balistrieri clout / See PAGE 5.

Downtown nearly 25 years ago, he said a candidate for office asked for his support, according to federal tape recordings.

Although Balistrieri wasn't registered to vote, he said he told the candidate, "Listen, just between you and I, me and my friends we go to the polls, we gotta vote for you. . . . We got a lot of our friends and I'm gonna tell all the ones that I can trust to vote for you."

After Balistrieri gave the unidentified candidate money, "He says, 'I don't have to report this, do I?' " Balistrieri said he replied, "You don't have to report this."

"Maybe 30 people were there when he took the money," Balistrieri said

"God, those (obscenity) politicians," said Joseph Caminiti, who had links to the Teamsters Union and was a top adviser to Balistrieri. "A lot of them are getting stamps instead of checks or cash."

At another point, Caminiti said, "We just gave (unintelligible) dollars worth of stamps to Maier."

"Rose Meyers?" Balistrieri asked, mentioning an alderman. "Oh, the mayor."

During a recent interview with a reporter, Maier said, "I know nothing about that."

He said he did not know Caminiti.

"Frankie Bal was very interesting," Maier said. "He never tried to talk to me at all, ever. Balistrieri and I never exchanged more than a greeting."

Maier said that Alex P. LeGrand, a former FBI agent he hired as a staffer around 1967, told him about Balistrieri.

"He always told me that Frankie was a bad boy — always — without equivocation," Maier said.

But he added, "Balistrieri never asked me to do a damn thing for him — and I never did a damn thing for him."

"There's no question there was a relationship" between Balistrieri and the Teamsters, according to Maier.

The union held annual meetings at a hall Balistrieri either owned or to which he was connected, Maier said. Maier was a speaker at the dinners he attended, not all of which were attended by Balistrieri, he said.

"I would go to the Teamsters meetings regardless," Maier said. "That never bothered me. I never worried about the Teamsters. I had great respect for the Teamsters. The Teamsters never called upon me for a thing that was underhanded.

"You don't have a politician that I know of in Milwaukee County that turned his back on the Teamsters," Maier added.

During the 1964 conversation between Balistrieri and Caminiti, there were numerous references to the Teamsters, and Caminiti indicated that politicians wanted the support of the union.

Referring to that year's election, Caminiti said, "The next time we'll get into it a little earlier . . . and we'll take some money out of there before the rest of them all get it out of there."

As the conversation continued, Caminiti referred to a man named Frank (not Balistrieri) who apparently also had made campaign contributions: "I think Frank took care of some of the other aldermen here, too."

There were indications in the taped conversation, that campaign donations were not made indiscriminately.

For example, because of redistricting, then Ald. Allen R. Calhoun, whom Balistrieri had known since boyhood, was running for election against another alderman, Alvin C. Hass.

Balistrieri indicated he might support Hass.

"In so far as Calhoun is concerned, I feel you shouldn't do anything. You shouldn't stick your neck out, because if Hass gets elected, you're going to be in a lot of stuff because they have to report this stuff, see," Caminiti said.

DATE Mon Nov 7 1988
PUBLICATION Milwaukee Sentinel
DCIR FILE NUMBER 06-1

COMMENTS Page 1 of 3

WISCONSIN DEPARTMENT OF JUSTICE
DIVISION OF CRIMINAL INVESTIGATION

Later, Caminiti said, "You've got to tell them that they've got to report that."

"I went up to Calhoun, I said, 'First of all I don't know if you'll take the money from me, you know,' " Balistrieri said.

"Well, they all take it from you," Caminiti said.

"He said, 'I think I'm going to win,'" Balistrieri said. "I said the only way I can show my sincerity is to help you with some sort of a contribution."

During a recent telephone interview, Calhoun said Balistrieri was a friend, but not a close friend. They were in the same classes in school, he said. Balistrieri contributed to his campaigns, but not regularly, and never tried to influence him, Calhoun said.

Calhoun's name also came up in a 1980 tape recording.

After Dennis Conta finished ahead of Maier in the mayoral primary in 1980, Balistrieri's son, John, said that as soon as Conta got elected Conta would "deny that he's Italian."

"Of course, he will," said Antonina Balistrieri, Frank's wife. "Look at what's his name, ah, the guy from City Hall. Calhoun . . . that SOB . . .

"When he was getting all the money with our friend. The minute he didn't get the (unintelligible) anymore . . . he avoids the old man," she said, in an apparent reference to her husband.

Calhoun, who also is a former city clerk, said he did not know what Mrs. Balistrieri was referring to.

Another former alderman whose name surfaced in one tape recording was Vel Phillips.

In the 1964 conversation with Caminiti, Balistrieri asked: "You know Vel Phillips? You tell the Teamsters, you know."

". . . We should have thought of that maybe a little sooner," Caminiti said. "We could have given her more help with stamps and a lot of (obscenity). Right now we're stuck," he said.

In 1964, Balistrieri also was taped as he unsuccessfully tried calling several aldermen, including Phillips, who later became a judge and secretary of state, and Charles Quirk, who is now dead.

When contacted for comment, Phillips told a reporter that Balistrieri had not contributed to her campaign in 1964. She said she did not know why Balistrieri was trying to reach her by phone so long ago. She also said she did not know why Balistrieri had her telephone numbers in a book the FBI confiscated.

"Unless he talked to my husband," she said, referring to attorney Dale Phillips, who is dead.

During a wiretapped conversation in 1980, Joseph Balistrieri said he had been contacted by Harry Halloway, a judicial court commissioner, who was "running for judge . . . He'd like to know if he could possibly get the Teamster endorsement . . . He's a good guy, you know, he's, he's done a lot . . ."

"He's never gonna make it though," Frank Balistrieri said. ". . . That Freddy St. Clair is a good guy, you know? I'd make a deal with that St. Clair. I get the Teamsters to support him."

Halloway, who handles first appearances in felony and misdemeanor cases, would not return a reporter's phone calls. When approached by a reporter, he said, "I don't grant interviews."

St. Clair, a former police officer, said he had never spoken to Balistrieri. "I don't even know the guy. To be honest, I don't even think the Teamsters supported me. He never gave me a penny."

Mentioning another judicial race, Joseph Balistrieri said, "Let me tell you the long and the short of it. Bill Moser has done more for us . . ."

In 1980, William R. Moser won a seat on the Court of Appeals, defeating Christ T. Seraphim, of whom Balistrieri once said in a taped conversation: "He's never done anything for us."

Moser, who has had a long, distinguished career on the bench, said he accidentally met Frank Balistrieri once, briefly, at least 20 years ago.

Moser said he did not know of Balistrieri's close connection with Frank Ranney and the Teamsters until recent years when articles about them appeared in the newspaper.

"Frank Ranney through the Teamsters donated to my campaign when I was a state senator," Moser said. "When I ran in 1960, they donated $200 to my campaign. . . . Frank Ranney was a very quiet, very distinguished and good lobbyist in Madison. Never caused a fuss. . . . I was a great supporter of the Teamsters."

Moser said he received $1,500 from the Teamsters in 1980 and was astounded when he recently learned that Balistrieri had been taped by the FBI discussing whether to help him get the union's endorsement that year.

"Anybody in politics who got near that guy was crazy," Moser said of Balistrieri.

Years ago, Balistrieri reportedly had a close relationship with police in Kenosha and with some police officers in Milwaukee.

Referring to the investigation of a sensational shooting in Kenosha, Balistrieri said, "A statement was given on the chief of police. And the chief, we paid."

The shooting occurred in 1963. Helen Haukedahl, wife of Kenosha Police Chief Stanley Haukedahl, shot and killed a police secretary whom she claimed was breaking up her home.

Balistrieri said in a taped conversation that someone close to the Kenosha chief was on the family's payroll and had talked to the FBI.

"Now because of the shooting, the chief has got to talk to the FBI and now he's crying," Balistrieri said. "The chief will talk to the FBI and he'll be granted immunity."

Balistrieri bragged about the chief calling him.

"I said, 'No deal,' " Balistrieri said.

Balistrieri also was recorded discussing the Milwaukee Police Department, and he showed interest in who was assigned to a squad that sometimes had contact with him or members of his crime family.

Referring to a high police official who appointed members to the squad in 1964, Balistrieri said, "He picked out one Italian. . . . This guy used to go stealing. And he's got three other guys on that special squad. All three had the big money."

DATE Mon Nov 7, 1988

PUBLICATION Milwaukee Sentinel

DCIR FILE NUMBER OC-1

COMMENTS Page 2 of 3

WISCONSIN DEPARTMENT OF JUSTICE
DIVISION OF CRIMINAL INVESTIGATION

The phrase, "the big money," was not explained. Ballstrieri also didn't explain what he meant when he referred to help he received, apparently from a ranking police officer:

"He said, 'Be careful. This time I can do it. The next time, I don't know.' "

Mentioning that five minors had been picked up in Gallagher's, Ballstrieri said, "I tried to get it fixed. . . . I took a shot and it worked. They called in these coppers. Chewed their heads off. And Pete went up there the next day. No warrants. They issued the warrants against the kids but not us.

"Then I had lunch with Kremsreiter," he said, apparently referring to Hans Kremsreiter, who became first deputy inspector of police in 1964.

"I said, 'I've known you a long time. Now I'm afraid.' He says, 'I don't blame you. . . .' He says, 'If we catch something on you, we're not going to ignore it, but you're not going to hit a rush.' "

As the years passed, Ballstrieri's reputation became more notorious.

By the late 1970s, after he had served time in prison on income tax charges and had appeared in hundreds of news stories, his associations with politicians and police were not as close.

In 1979, Ballstrieri complained, "Now I can't even get my tickets fixed."

His son, John, told his mother: "I'll tell you what we ought to do. . . . We oughta sell everything here and get the hell out of this square head . . . Nazi town.

"As long as these little creeps are running this city, either we gotta kill 'em or we gotta get out of here. There's no other choice."

But federal officials gave the Ballstrieris another option they couldn't refuse. Judges sentenced Frank Ballstrieri and sons John and Joseph to prison.

Tuesday: A rat, a scream and 7,000 conversations.

DATE Mon Nov 7 1988

PUBLICATION Milwaukee Sentinel

DCIR FILE NUMBER OC-1

COMMENTS Page 3 of 3.

NEWSPAPER CLIPPING
DJ-DCI-43 (Rev. 7/79)

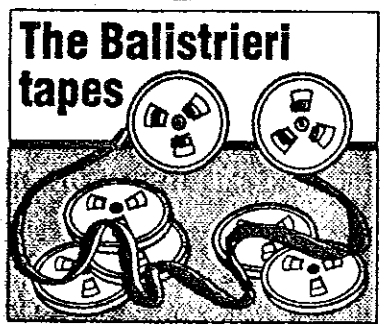
Microphones gave FBI a chair at Balistrieri's table

Eighth of a series
By MARY ZAHN
and WILLIAM JANZ
Sentinel staff writers

Nine years ago, microphones were put back in the life of Frank P. Balistrieri, Milwaukee's crime boss who talked himself into prison while the FBI listened.

The FBI committed legal burglaries to break into Balistrieri's life, but agents were sidetracked briefly by a stubborn door at one location and a rat — a real one — at another spot.

Balistrieri often ruled organized crime from a table in Snug's Restaurant, and as a result of the government break-ins, the FBI was at the table with him without his knowledge.



The installation of listening devices in three key Balistrieri places began the biggest investigation in the history of the Milwaukee FBI office.

Ironically, the first conversation heard on a secret taping device that was being installed at one restaurant was the scream of a female agent who was frightened by a rat.

In turn, the scream scared the rat into smashing some glasses on top of a bar and interrupted the heartbeats of the agents listening to the ruckus.

At least 40 agents were working in the early, chilly, dark hours of a day in October 1979 so that two of the agents could break into Snug's restaurant, located in the Shorecrest Hotel, 1962 N. Prospect Ave.

The work that began that night led to the interception of 7,000 conversations, and some of these words put Balistrieri in prison for 13 years.

The work on N. Prospect Ave. in those pre-dawn hours focused on two FBI agents — a man and a woman — who acted as if they were lovers and hugged in front of Snug's to cover the break-in.

As the male FBI agent worked to open the door, the woman, who wore a receiver in her ear, kept in touch with agents in the neighborhood, many of whom were parked in vans at key intersections.

The lookouts warned her about traffic and people on the street, and told them when they had to stop working on the door and start embracing.

While waiting to get the bugging devices in place and start recording Balistrieri's conversations, "It was like waiting for Christmas to come when you were a little kid," FBI agent Michael DeMarco said.

"We were so geared up. We looked at this as the closest we have ever come to success on the La Cosa Nostra in Milwaukee in 25 years."

Their recordings of Balistrieri's days and nights succeeded beyond their dreams, DeMarco said. But first they had to get through a stubborn door at Snug's without a key.

In preparation for placing the recording devices, the FBI had done a monthlong survey of the areas around the Shorecrest, which is owned by the Balistrieri family, and around Leonardo's, which was formerly at 1601 N. Jackson St. and was one of Balistrieri's places.

FBI agents knew every car, human and dog on the street between midnight and 8 a.m.

"We knew exactly when the milkman came, when the bakery was delivered, when people got up and walked their dog," said Fred Thorne, another FBI agent who worked on the case. "We even knew how many cars came down the street at any given hour. We knew when the police would do regular patrol."

During the nights they broke into Balistrieri's restaurants, FBI agents were worried about police, who had not been informed that federal agents were breaking and entering.

Some agents listened to police radio frequencies for any reports of burglaries in progress so they could stop squads before they blew apart the investigation.

One night, Thorne was in a van with agents who spotted a man stealing tires from a car. The agents turned on their lights briefly, which frightened the thief. An agent called police anonymously and gave them the thief's license number.

Besides knowing the routine of neighborhoods, agents also knew Frank Balistrieri's daily routine.

"We assumed he got up late in the day because he went home so late at night," DeMarco said. "He would go out on the street in midafternoon. Usually, he'd go to Snug's, LaScalla and Leonardo's — places he had an interest in.

"At Snug's he'd make four or five phone calls, then he'd slide over to Leonardo's around 6 p.m. and make a lot of phone calls, maybe have some drinks. A lot of times he drank nonalcoholic beverages.

"About three times a week, around 7 or 8 p.m., he'd call his wife at home and say, 'Put it on. I'll be home in five minutes,' meaning have dinner ready. It would usually be a half-hour to one hour after the phone call before he'd leave whatever location he was at.

"Five minutes, it didn't mean a damn to him. Then he'd go back to Snug's and Leonardo's. He stayed in places he felt were his domain. He would go home anywhere between 1 a.m. and 4 a.m."

During a taped conversation, Joseph P. Balistrieri, a son, said: "See, my old man, we're on different, you know, we're in different ... zones. ... I get up 7 o'clock in the morning. I go to work. I come back 6, 7 o'clock at night. I'm beat, you know.

DATE Tuesday Nov 8, 1988
PUBLICATION Milwaukee Sentinel
DCIR FILE NUMBER OC-1

COMMENTS Page 1 of 2

WISCONSIN DEPARTMENT OF JUSTICE
DIVISION OF CRIMINAL INVESTIGATION

"He comes, he gets up in the afternoon. He's all talced and shaved and ready for an argument at 7 o'clock. My tongue is hanging out. You know then my father's got a nice, you know, he's got a nice way of opening. Ah, you know he doesn't want to say, 'Sit down, I wanna talk to you.' He says, 'You (obscenity) guys, you think you know everything.' "

One thing Frank Balistrieri didn't know was that his tirades were being taped. Eventually, the lock on Snug's gave up, but it didn't happen that first night.

"He (the male agent) worked on the lock from about 2 a.m. to 4 a.m. and gave up," DeMarco said. "He couldn't get in."

Agents broke into Snug's three days later, and they also got into Leonardo's.

At Leonardo's, agents "were getting ready to leave when the female agent saw a big rat on the bar," DeMarco said. "The rat was chewing on cherries you put in cocktails. The woman shrieked, the rat jumped and knocked four glasses off the bar.

"Our nerves shattered like the glasses."

But agents said the tense work was worth it because the recordings sent Balistrieri to prison on charges of illegally skimming money from Las Vegas casinos, extortion and gambling.

His sons, John and Joseph, were acquitted of the skimming charges, but were sent to prison for extortion.

The agents taped Balistrieri bragging, "I'm surrounded with a battery of brains, with lawyers, accountants and . . . I infiltrate the . . . legitimate business."

In addition to Snug's and Leonardo's, agents also bugged an office in the Shorecrest.

"The monitoring of the calls took place on the seventh floor of the federal building in the FBI offices," DeMarco said. "They had two rooms. One where the calls were monitored and another workroom. . . .

"There were long tables all around the room. Seven places to listen to the reel-to-reel tapes and 14 machines running. While the calls were being monitored there was simultaneous surveillance going on at the outside locations."

Legally, agents were not allowed to listen to any conversations irrelevant to the evidence they were seeking, as authorized by a judge.

The agents had to establish the relevance of a conversation quickly and decide whether or not to listen to it, knowing that if they made the wrong decision, the tape would not be useable in court.

Eventually, as a result of investigations in several cities, at least six top mob bosses were convicted, and prosecutors here and in Kansas City unscrambled pieces of the nationwide puzzle of crime.

By November 1979, DeMarco said, meetings were being held in different cities to discuss the results of wiretap investigations here and in other parts of the country.

"While we're doing this, we're continuing to get bombarded with numerous pieces of information everyday," DeMarco said. "We have wiretaps going, the other offices are sending us information, our informants are telling us things and all of this had to be collated, and we had to get all this new information to the level of the monitoring agents so they knew what they were listening to. We finally realized we had the chance before us to once and for all knock out a portion of the skimming in Las Vegas."

Officials said the Milwaukee wiretap investigation began in 1979, after DeMarco and Geir Magnesen, another FBI agent, determined that the office had enough intelligence on Balistrieri's organization to ask a judge for wiretap permission. It took five months before the paper work was ready and permission was granted.

When Balistrieri's places were raided in March 1980, agents interrupted a gambling operation on E. Brady St. that resulted in them accepting basketball bets while they searched the home.

So that agents could surprise Salvatore Librizzi, a Balistrieri associate, a female agent stopped her car in the middle of the street, and raised the hood. When Librizzi answered her knock at the door, she said she was having car trouble and, of course, Librizzi immediately had cop trouble.

Agents stormed in and gathered gambling evidence, while DeMarco answered the phone and took bets on basketball games.

"It was very funny," DeMarco said. "They gave me the bets. I read them back to them. I asked them if that was right."

When callers asked who he was, "I used my first name, Mike, and I used a made-up Italian last name."

Agents who monitored those conversations with listening devices wrote down Mike's assumed name phonetically. They wrote Mike Foolaroundo. During the investigation, agents also learned that a mob courier would be bringing Las Vegas skim money to Chicago by way of Milwaukee, DeMarco said.

"They (FBI agents) surveilled him from Chicago to Las Vegas and back to Milwaukee where he rented a car and drove to Chicago," DeMarco said.

"It was a Saturday morning and here was this non-descript white-haired guy, 55 to 60 years old, coming down the escalator with this big oversized coat down to his knees . . .

"We knew the money was stuffed inside the lining of the coat."

Agents didn't stop him because stopping him might have stopped their investigation of Balistrieri. But DeMarco remembered him, because the man had so much money stuffed in his coat that he looked like someone.

He looked like BoBo the clown.

Wednesday: An undercover agent almost loses his life.

DATE Tues Nov 8 1988

PUBLICATION Mil Sentinel

DCIR FILE NUMBER OC-1

COMMENTS Page 2 of 2.

DJ-DCI-43 (Rev. 7/79)

WISCONSIN DEPARTMENT OF JUSTICE
DIVISION OF CRIMINAL INVESTIGATION

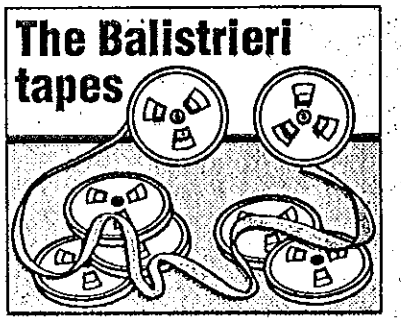
Undercover agent was target for Balistrieri's hit men

Ninth of a series
By MARY ZAHN and WILLIAM JANZ
Sentinel staff writers

An undercover FBI agent who intruded in the business of Frank P. Balistrieri nearly lost his life as part of the transaction.

And mobsters laughed about how close Gail T. Cobb came to being killed.

Referring to his attempt to establish a working relationship with Balistrieri, who headed organized crime here, Cobb said, "Had I known it would have gone as far as it did, I wouldn't have taken the job."



While he was undercover in Milwaukee, an associate of Balistrieri was dynamited to death and Balistrieri decided to kill Cobb, Cobb said.

In June 1978, when Cobb was trying to become a mobster in the vending machine business here, August S. Palmisano, 50, was murdered by explosion.

"It got my attention," Cobb said.

Palmisano was killed when he started his car, which was hooked to explosives. Cobb had met Palmisano briefly, but recalled no conversation with him.

"I knew it was unrelated to me," Cobb said of the bombing.

However, Cobb told Benjamin (Lefty) Ruggiero that he was concerned that people were being blown up. Ruggiero told him not to worry, Cobb said.

Nothing would happen to Cobb because Cobb was "with them," Ruggiero said, meaning the New York mob family to which Ruggiero belonged.

While undercover, Cobb depended on Ruggiero, a friendly, easygoing, likable man who told Cobb he had murdered his daughter's husband.

One thing was wrong with Ruggiero's reasoning that Cobb was safe: Balistrieri initially did not know that Cobb, who was trying to set up a vending machine business here, had the protection of the New York mob, Cobb said.

Three men were assigned to kill Cobb and they followed him around, but Balistrieri called them off when he found out Cobb was approved by the New York mob, Cobb said.

As a result of Cobb's undercover work and recorded conversations obtained by the FBI office here, Balistrieri and his attorney sons, Joseph and John, were convicted and sent to prison on charges relating to extortion in the vending machine business.

Cobb wasn't the first undercover agent whom Ruggiero had inadvertently befriended. A member of the Bonanno mob in New York City, Ruggiero had previously made

SEE PAGE 12 / TAPES

DATE Wednesday, November 9, 1988

PUBLICATION MILWAUKEE SENTINEL

DCIR FILE NUMBER [illegible]

COMMENTS

TAPES / FROM PAGE 1

friends with agent, Joe Pistone, who infiltrated the Bonanno family. Pistone introduced Ruggiero to Cobb, indicating Cobb could be trusted.

"I told him (Ruggiero) I was opening a vending business in Milwaukee and he says, 'Who's sponsoring you?' " Cobb said. "I said, 'Nobody's sponsoring me.' He said, 'You can't do that.' He said, 'Either they'll throw you out of there, or they'll kill you.' "

After checking with his New York bosses, Ruggiero was authorized to help Cobb get permission from Balistrieri to open a vending machine business in Milwaukee. The New York mob wanted a cut of the profits, Cobb said.

An introduction to Balistrieri was arranged through a Mafia family in Rockford, Ill., Cobb said. While waiting for the arrangements to be finalized, Cobb said, he and Ruggiero were told to stay at a Milwaukee-area hotel and wait for a phone call.

After they waited about a week, a meeting was held at Snug's, 1962 N. Prospect Ave., a restaurant owned by Balistrieri's son, Joseph.

Cobb, who used the name Tony Conte in his undercover role, recalled how the meeting opened: "After about a minute — it felt like half an hour — Lefty was told to introduce his friend (Cobb)."

Balistrieri "was sitting directly across the table and we were about to shake hands, when Lefty says, 'Tony Conte.' And Frank brings his hand back.

"'Tony Conte?' he says. 'We've been looking for you all week.' He said, 'We were going to hit you. You've got the white Cadillac, an apartment in Greenfield, a store of-

fice out on Farwell. . . .' He knew the whole thing."

Cobb was going to be killed because he was intruding in one of Balistrieri's businesses without permission, Cobb said. Balistrieri had been in Fort Lauderdale, Fla., because he didn't want to be in Milwaukee when Cobb was killed, Cobb said.

"What happened, I guess, they just told Frank, 'You have got to come back, these (New York) people are still waiting,' " Cobb said.

"He didn't realize that the Tony Conte he was going to kill was the Tony Conte involved with the New York people. If I hadn't been in the hotel, I think I would have been whacked," Cobb said.

Cobb thought it was an ironic coincidence that the men Balistrieri allegedly asked to kill him had trailed him to a meeting with Balistrieri, Cobb said. Balistrieri waved the hit men away, Cobb said.

Later, when Cobb was in his car with some hoodlums from Rockford, he was told how lucky he was that he wasn't killed.

"They're tying up Milwaukee, Rockford, Chicago, New Jersey and the New York mob," Cobb said. "Tying it together in a conspiracy. They're talking about the fact that he (Balistrieri) was going to kill me."

The mobsters were laughing and having a good, incriminating time that didn't send them to prison, because a tape recorder in Cobb's car malfunctioned, Cobb said.

At a hotel here, Ruggiero's wife and a friend talked about Cobb nearly getting killed.

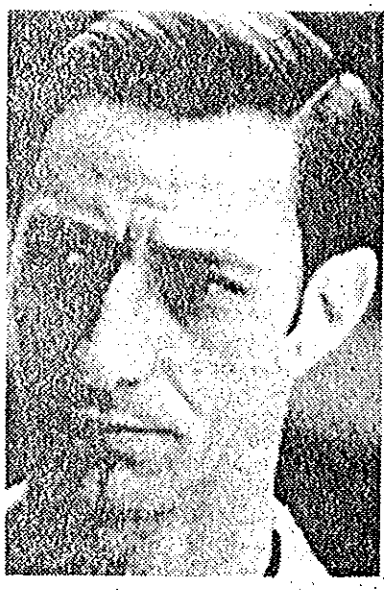
"Louise, Lefty's wife, was a nice Italian girl, non-Mafia background whose family disowned her when she married Lefty," Cobb said. "But she was not sympathetic to the mob.

"Mary Elena (Louise's friend) was raised with the mob. . . . There were several members of her family that were captains and bosses in New York.

"I came in and they said, 'Tony, what happened?' And I said, 'If Lefty wants you to know, he'll tell you.' So he came in and they said, 'Lefty, what happened?'

"He started laughing. He said, 'They were going to kill him. If he wasn't here with us, he'd be dead now.'

"And Louise was upset and said,



August S. Palmisano

'You're all animals. You were going to kill him and not even warn him or anything.' She went in the room and slammed the door and Lefty's laughing at her.

"Mary Elena said, 'Louise is right. They should have warned him first. They shouldn't hit him without warning him. If they warn him and then he doesn't do it, then they should hit him.' "

Mary Elena was for proper procedure.

Tall, slender, rugged-looking, frequently talking in street slang, Cobb sometimes seemed to enjoy acting as a hoodlum. But being forced to contemplate his own death wasn't one of those times.

At their first meeting, Cobb heard Balistrieri refer to Palmisano and say, "He called me a name to my face. Now they can't find his skin."

An FBI informant said that he heard Palmisano and Balistrieri arguing about Balistrieri hiring a relative Palmisano had wanted to hire.

Balistrieri told Palmisano he would "make chopped meat of you" and "write your name in blood," the informant said.

Cobb mentioned another threat that was made when Frank Balistrieri; his brother, Peter; Steve DiSalvo, a close associate; Ruggiero; and Cobb were at the Peppercorn restaurant, which was operated by John Fazio.

"Steve took John in the back and threatened him," Cobb said. "See, Frank had been wanting a piece of the Peppercorn and John wouldn't give it to him. So he (DiSalvo) took him in the back and said, 'You know what happened to your brother.' "

Louis Fazio, a former associate of Balistrieri who had served nearly a dozen years in prison for a gangland slaying, was shot to death outside his home in 1972.

"Five times .38," Balistrieri onco said during a conversation in which he laughingly described to another undercover agent the multiple gunshot wounds that killed Louis Fazio.

His body was found next to his car in which a bright red ribbon was tied around the rear-view mirror. Some Sicilians wear red or tie red cloth to objects in their homes and cars to keep evil away.

The ribbon hadn't helped.

Not knowing DiSalvo had just threatened John Fazio at the Peppercorn, Cobb inadvertently added to the threat.

"John comes walking up to me, and just to make conversation — his son is tending bar — and I said, 'John, you've got a nice kid there. You ought to take care of him, watch out for him, make sure nothing happens to him.' "

Cobb said Fazio looked as if "he died. So now John is thinking I am saying I'm going to kill your kid."

Unfortunately, it was a threat that the Fazios lived with for a while.

During the vending company negotiations, Cobb met with Joseph and John Balistrieri, who drew up an option that would permit them to purchase 50% of his company at some future date, Cobb said.

Joseph Balistrieri told Cobb not to put the agreement in a safety deposit box but use a more convenient depository, which Joseph suggested could be a pipe in Cobb's basement, Cobb said.

The contract was designed to hide their father's interest in the company and to allow them to take over in the future, Cobb said.

"Joe was into it up to his butt," Cobb said. "So was John. Joe was . . . too much splash, too much social, too much concerned about his personality, very egotistical, very well liked.

"See, ordinarily he would have taken Frank's spot, but he isn't built that way, so John is going to be next in line. John is Frank Balistrieri over exact. John was always in the backseat. Joe was always the one out in front, but Joe made sure John was asked, 'Is this OK.' Joe wrote out the

SEE PAGE 13 / TAPES

TAPES / FROM PAGE 12

contracts, but he had to run them by John."

Frank Balistrieri, who had a big ego, enjoyed the possibility of doing business with a New York family, Cobb said.

"One of the things that used to gripe the hell out of Balistrieri," Cobb said, "was the fact he felt himself a czar of Las Vegas and he couldn't even go to Las Vegas," where for years he had had business deals in which he received skim money.

"There's a law in Las Vegas which they enforce. If you go to Las Vegas and you're a convicted felon you have to report to the police and say, 'I'm here.' As a result, the mob says, 'You guys with convictions will not go to Las Vegas.' "

Balistrieri, who had served time for tax evasion, was so upset with the Las Vegas law that "smoke would come out of his ears," Cobb said. Occasionally, Balistrieri would use an assumed name and go to Las Vegas, Cobb said.

Cobb had problems with cops, as well as robbers.

> "He didn't realize that the Tony Conte he was going to kill was the Tony Conte involved with the New York people. If I hadn't been in the hotel, I think I would have been whacked."
>
> — **GAIL T. COBB,** undercover FBI agent

When Cobb was fingerprinted for a vending machine license under the name of Tony Conte, he forgot that he had been fingerprinted years ago after applying for a job under his real name.

Cobb was called into the police department and a vice squad officer asked him to explain why there were two sets of the same fingerprints — one for Tony Conte and the other for Gail T. Cobb.

"I'm thinking, 'I'm going to blow the whole thing now,'" Cobb said. "I spent probably 20 minutes saying, 'I don't know who Gail Cobb is, I don't know what you're trying to pull here, I don't know what's going on.' And he's not buying it."

Finally, Cobb asked to see Police Chief Harold A. Breier. Cobb explained the situation to Breier and Breier assured him that everything would remain confidential, Cobb said. Breier put the two sets of fingerprints in a safe in his office.

With his secret locked up, Cobb returned to his mobster job, which was sometimes highly unsettling.

For example, Ruggiero once warned Cobb that Balistrieri might order Cobb to kill someone before he would be accepted in the Milwaukee mob.

"Don't you worry about it," friendly old Ruggiero said. According to Cobb, Ruggiero said he would do the killing and give Cobb the credit.

That's the world in which Cobb worked: Palmisano dead, Louis Fazio dead, Auggie Maniaci dead, and his brother, Vincent, lucky to be alive.

In 1977, two years after Auggie was murdered, an attempt was made on the life of Vincent, whom Balistrieri also didn't like. However, loose wiring prevented dynamite from exploding in his car.

When a cop asked Vincent if he knew who attached dynamite to his car, he shrugged.

"Kids," he said.

Thursday: The roots of power.

DJ-DCI-43 (Rev. 7/79)

WISCONSIN DEPARTMENT OF JUSTICE
DIVISION OF CRIMINAL INVESTIGATION

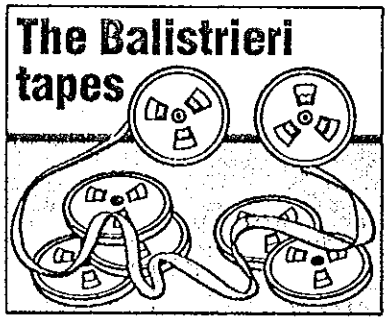
Power enabled Balistrieri to make huge mistakes

Tenth of a series
By MARY ZAHN
and WILLIAM JANZ
Sentinel staff writers

Frank P. Balistrieri had power: The power to influence multimillion-dollar loans, the power to name union leadership and the power to make mistakes, a power he exercised until it sent him to prison.

In regard to union leadership, he selected an undercover FBI agent to lead a local union.

And in regard to influencing loans, a man Balistrieri helped get a $62.7 million loan from the Teamsters Union later testified against Balistrieri.



Balistrieri, who headed organized crime here, controlled trucking in Wisconsin and Upper Michigan, Gail T. Cobb, a former FBI agent, said Balistrieri told him.

"He said,'You know any place there's trucking, we have (vending) machines in there, because I control trucking,' " Cobb said in an interview.

Balistrieri demonstrated his union power during a discussion with Phil L. Valley, who was business manager of Local 122 of the Hotel Motel Restaurant Employes and Bartenders Union, Cobb said.

Referring to Valley, Balistrieri told Cobb, "This is the guy whose place you're going to take in the union."

"Right in front of the guy," Cobb said. "It was like saying, 'Hey, you're out, pal.' "

This was 1978, when Cobb was masquerading as a hoodlum named Tony Conte, who impressed the Balistrieri family.

One of Balistrieri's sons, John, was recorded as describing Conte as "one of those 1956 hoodlums, you know, he thinks he's George Raft. He's the kind of guy who'll walk in a stop and he'll say, 'Hey, we're putting our stuff in here.' "

However, Conte, like everyone else, deferred to Frank Balistrieri. If a group was at a table talking, "as soon as Frank came in and sat down, you shut up," Cobb said.

Benjamin (Lefty) Ruggiero, a New York hoodlum who befriended Cobb, gave Cobb an even more emphatic assessment of Balistrieri's clout: "Let me tell you something, this . . . town is afraid of him."

For his part, Balistrieri was not

SEE PAGE 14 / TAPES

DATE Thursday, November 10, 1988

PUBLICATION MILWAUKEE SENTINEL

DCIR FILE NUMBER OC-1

COMMENTS

TAPES / FROM PAGE 1

modest about his authority: "This is not an idle promise, my friend, you'll become union president," Balistrieri told Cobb.

Valley, who died at the age of 90 in 1986, retired as business manager in 1984. Valley had been friends with Balistrieri for years and promoted a boxing match with him in 1950 that attracted more than 12,000 people.

In 1960, it was alleged in testimony before a Senate subcommittee that Valley had ties to Frankie Carbo, an underworld boss in Philadelphia. Valley knew Carbo, but had no business dealings with him, Valley said.

Valley was an international vice president of the Hotel Motel Restaurant Employes and Bartenders Union. Balistrieri also was close to the international union, federal officials said.

In 1985, the President's Commission on Organized Crime named the international union as one of the "bad four major unions — dominated by the La Cosa Nostra Crime Syndicate and its auxiliaries and allies."

Another of the bad four was the Teamsters Union.

During testimony that same year, Allen Glick, a Las Vegas businessman, said that Frank Ranney, a trustee for a Teamsters' pension fund, had told him, "If I was interested in pursuing the financing with the Central States Pension Fund that I should meet with Mr. Frank Balistrieri. He said Frank Balistrieri was a friend of his and that he was a very influential individual as far as the pension fund was concerned."

Ranney became secretary-treasurer of Teamsters Local 200 here in 1951, a position he held until 1971.

The Balistrieri-Ranney relationship goes way back, even before a 1958 business venture in which each held 30% stock in a company that sold guns — plastic toy bubble guns. The two men once attended a toy show in New York City, when Balistrieri was into toy guns.

Former Teamster President Jimmy R. Hoffa — whom Balistrieri indicated he knew — appointed Ranney a general union organizer in Wisconsin in 1962. Active in civic affairs, Ranney had been on the Milwaukee Common Council's pension study committee, the Governor's Commission on Human rights and the Milwaukee Board of Harbor Commissioners.

Glick took Ranney's advice, talked to Balistrieri, and later received union approval for a loan of $62.7 million. He bought interests in Las Vegas hotels, and Balistrieri received skim money from the casinos.

Joseph Balistrieri, Frank's other son, also had dealings with Ranney and played a role in his father's various financial transactions, feder-

al officials said.

In 1970, a US attorney filed a report which stated that Balistrieri obtained a $125,000 loan from a Milwaukee bank after Ranney told the bank that a large Teamster deposit would be made if the bank granted a loan to Frank Balistrieri, through his son, Joseph.

A $500,000 deposit from the Pension Fund was made Sept. 10, 1968, and a $125,000 loan was made to Joseph Balistrieri the same day, the report said. That loan had been denied previously by the bank.

Hoffa was murdered in 1975, but his body was never found. Elected president of the Teamsters in 1957, Hoffa was indicted on jury tampering charges, found guilty and sentenced to eight years in prison in 1964.

Concerned about Hoffa's convictions, Balistrieri — according to a transcript of a recording — discussed the case with Joseph Caminiti, a close associate:

Balistrieri: "He's (Hoffa) really innocent. You know what they got on him? They got him on conspiracy to extort. He had given $80,000 to some guy to have him finish the hotel."

Caminiti: "How can you call that extortion?"

Balistrieri: "Well, he threatened him. In other words, to get his money back, he threatened this guy."

Caminiti: "This guy could change his testimony . . . can't he?"

Balistrieri: "Yeah."

Balistrieri told Caminiti that he would like to go see "that kid," an apparent reference to Hoffa.

"Well, they'll connect you with him and him with you," Caminiti told Balistrieri, apparently cautioning him against the meeting.

During another 1964 meeting, records show, Caminiti and Balistrieri discussed how they could get funds from local Teamsters unions, apparently to help pay some of Hoffa's legal expenses.

Noting that there was a Teamsters meeting coming up in Green Bay, Caminiti said:

"We can't take it out of the treasury, so what we're going to do is, three weeks from now we're going to meet in Green Bay, our council meeting. . . . All over the country they're doing this . . . raise per capita tax on all the local unions. . . .

"And then they got no voice in that, they can't vote it down or anything. . . . You'd be surprised how many think Jimmy should be in jail, that he's a crook and everything else.

"We'll take it out of the joint council and raise the per capita tax 5 cents, 10 cents per member and then they got no voice in that. . . . You got about 35 local unions in the state, I bet you 20 of them would never pass the resolution."

Balistrieri then indicated he wanted to see Ranney.

Caminiti's son-in-law, Mike Enea, was a business agent for Teamsters Local 200 from 1973 to 1983, records show.

In one wiretapped conversation, Balistrieri noted that Enea "has a little problem."

Enea pleaded guilty in 1984 to requesting loans from the president of Milwaukee Cheese Co. and from an official of Karp's Milwaukee Bakers Supplies. The Teamsters Union represented employes at both firms.

It is a violation of federal law for a labor leader to solicit money from a firm whose employes his union represents.

Recently, a federal grand jury has been looking into the relationship between Local 122 of the Hotel Motel Restaurant Employes and Bartenders Union and Sally Papia, who operates Sally's Steak House, a popular local restaurant. Papia allegedly sent the union $200 a month, which Vincent P. Gallo, the local's business manager, claimed were dues for her employes.

Gallo replaced Valley as business manager. Gallo is a former manager of Snug's restaurant, which is owned by Joseph Balistrieri. In a 1986 affidavit, Gallo denied that Frank Balistrieri had anything to do with his employment at Local 122.

Responding to a federal affidavit, Gallo also said that John Balistrieri never told him "there would be more money under the table, trips and cash payoffs for him down the road at Local 122."

While acknowledging that he drops by Snug's twice a week to have lunch and visit with Mrs. Balistrieri, Gallo denied that he participated in any meeting "for the purposes of handling the Balistrieri business while the boys were away."

Balistrieri and his two sons are in federal prison, courtesy of the FBI. Balistrieri could thank Cobb for his present circumstances and for something else, too.

While he was undercover, Cobb and hit-man Ruggiero brought 1½-cases of expensive brandy to Balistrieri, and a bunch of toys — $700 worth — that went to the grandsons of Frank's brother, Peter. That was on behalf of a mob family in New York City. The prison term was on behalf of the federal government.

Friday: The big skim.

NEWSPAPER CLIPPING
DJ-DCI-43 (Rev. 7/79)

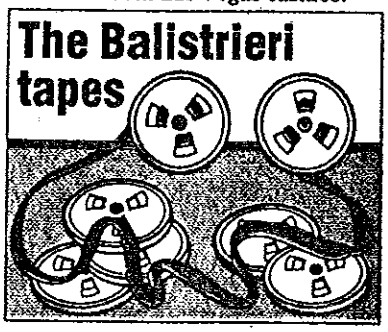
Lure of casino funds outweighed hatred

Eleventh of a series

By MARY ZAHN and WILLIAM JANZ
Sentinel staff writers

Two big-city crime bosses put aside their hatred of each other so they could steal hundreds of thousands of dollars in a scheme that involved several crime families, death threats and a hoodlum referred to as the "crazy man."

Although they didn't trust each other, Milwaukee's Frank P. Balistrieri and Kansas City's Nick Civella joined forces and went after fortunes skimmed from Las Vegas casinos.



William Ouseley, a former FBI agent and an expert on organized crime families in the Midwest, said, "They had an intense dislike for each other."

Civella couldn't be picked out of a room full of ordinary-looking people. He was balding, wore thick glasses, never swaggered, wasn't natty, didn't like ties.

Balistrieri always looked freshly scrubbed and barbered, his hair slicked back. Dapper in his evening suit and tie, Balistrieri had a cold-looking paleness; a federal official who shook hands with him said it was similar to touching a dead fish.

Balistrieri, who had many friends, spent his nights going from bar to restaurant to girlfriend, while Civella kept the lowest profile he could.

"Frank Balistrieri wanted people to know who he was," Ouseley said. "Nick was the other way."

So this man who was behind the scenes in his city and this other man who was out front in his worked together to fleece Las Vegas.

The Civella-Balistrieri rift, which officials said went back decades, was set aside in 1974 when the two men realized how easily they could skim money.

Balistrieri and Civella controlled key Teamsters Union pension fund trustees who voted to give priority funding on certain Las Vegas projects, Ouselev said.

Balistrieri needed the trustee votes that Civella controlled in order to get a $62.7 million loan approved so that Allen Glick, a Las Vegas businessman, could purchase several Las Vegas hotels. Balistrieri wanted to start receiving skim money from casinos at Glick's hotels.

Civella agreed to cooperate, but needed votes controlled by the Cleveland organized crime family to get the loan approved, records showed. Eventually, the three families became involved in the scheme, as well as the Chicago outfit, which ended up mediating disputes between the other three.

"Talk about your soap opera," Ouseley said.

And Ouseley is an expert on Mafia soap operas. He once spent four hours with his ear jammed against a metal door frame as he listened to a Kansas City mob meeting which came through the frame loud and clear.

Several months after the teamsters' loan was granted, Balistrieri told Glick that he would have to make Frank Rosenthal an executive in one of Glick's hotels. A loud, sometimes obnoxious man, Rosenthal was occasionally called the "crazy man."

Then Rosenthal, an associate of the Chicago crime syndicate, told Glick that if he interfered, he would not continue breathing the air he had become accustomed to in Las Vegas.

In March 1975, Glick was ordered by Rosenthal to come to Kansas City immediately or "we are going to come and get you."

Met at the airport by Rosenthal and Carl DeLuna, one of Civella's associates, Glick said he was told they were going to see someone "more powerful than Frank Balistrieri." That was Civella.

"It was like a parlor suite," Glick said of the meeting in court testimony. "The room was very dark. There were two chairs set up in the middle of the room and behind one of the chairs was a light, somewhat like . . . stories you would hear about someone interrogating a prisoner in a police room . . . .

"He (Civella) said, 'You don't know me, but it would be my choice that you would never leave this room alive. However, because of the circumstances, if you listen, you may.'

"He said he wanted to inform me of a couple of facts, because it was apparent that Mr. Balistrieri, Mr. Frank Balistrieri, did not get the message to me that the reason that I was given the loan by the Central States Pension Fund was his (Civella's) doing and without him and the others, the loan would have never come forward . . . .

"I am sitting in a room with a light shining in my eyes with someone that is telling me if I don't listen, I am not going to get out alive. He wants to know my understanding with Mr. Frank Balistrieri. I said, 'The only understanding that I have is that on a businesslike basis I would have an arrangement with the two attorneys, his sons.' He said, 'Well, that is not the case . . . . I don't think I believe Mr. Frank Balistrieri anyhow.'"

Civella then told Glick that Glick owed him $1.2 million and that he was not to interfere with Rosenthal.

"With that he (Civella) said, 'Get out,'" Glick said. "He directed Mr. DeLuna, again in graphic terms, to get in his car and go up to Milwaukee and yank Mr. Balistrieri out of bed and bring him back."

DATE Friday Nov 11, 1988
PUBLICATION Milwaukee Sentinel
DCIR FILE NUMBER OC-1

COMMENTS Page 1 of 3.

NEWSPAPER CLIPPING
DJ-DCI-43 (Rev. 7/79)

WISCONSIN DEPARTMENT OF JUSTICE
DIVISION OF CRIMINAL INVESTIGATION

In a subsequent conversation Glick had with Balistrieri, Balistrieri appeared upset and advised Glick not to attend any future meetings with Civella.

"It's out of my hands," Balistrieri said.

As different as they were, officials said, Civella and Balistrieri had ties going back to the 1940s. Once, long ago, shots were fired at Civella as he sat in a car, federal officials said. Civella blamed a faction of the Kansas City mob controlled by the late "Big Jim" Balestrere, reportedly a relative of Balistrieri's.

"This may have been where his rift and distrust of Frank Balistrieri began," one veteran FBI agent said.

In the 1960s, the agent said, Buster Balestrere, a relative of Big Jim, came to Milwaukee to help Balistrieri with some business problems.

Two men were slain during this period, and no one was charged.

"Civella would never have reached outside of his own organization for a hit," the agent said. "He would have seen that as a sign of weakness."

While Glick was in Chicago "attending a meeting with the Central States Pension fund ... Mr. Balistrieri contacted me," Glick said.

"We went up to a particular floor and on that floor into a suite .... And when he opened the door Mr. Civella was sitting in the hotel room .... He told me ... that his preference was he would rather see me dead than alive, but out of necessity for him and his associates he was instructed to keep me alive. He informed me that Mr. Rosenthal would be granted permission to return to the hotel shortly as an employe."

The Nevada Gaming Commission had removed Rosenthal as an employe of Glick because of Rosenthal's underworld connections. However, Rosenthal won reinstatement through the courts.

If Glick didn't agree to take Rosenthal back, Civella said Glick wouldn't leave Chicago alive.

In 1976, Glick hired a private detective agency to watch Rosenthal. Six months later, Balistrieri came to Las Vegas and told Glick he would die if he continued to have someone watch Rosenthal.

"Mr. Balistrieri was somewhat nervous when I walked in," Glick testified. "He said this is a difficult trip to make and it was something he didn't want to do, but something he was asked to do because he knew me well."

The detectives Glick hired "reported to Tony Spilotro," a mobster who represented mob interests in Las Vegas. Spilotro also was a friend of Rosenthal.

According to Glick, Balistrieri said, "'I am here to tell you that I don't know if I can prevent something happening to you, but if you ever think of, or do something like this, I can tell you definitely I cannot prevent what will happen to you.' He said I would be killed."

Glick also testified that before he received the Teamsters loan, Balistrieri told him he wanted his sons, lawyers Joseph and John, to have "an active role within the corporation."

An option agreement, which would have allowed the sons to obtain 50% of Argent Corp. for $30,000, was drawn up and signed but never executed. Argent was the umbrella organization under which Glick owned the hotels.

"I had to sense from Mr. Frank Balistrieri that (the option agreement) was something he wanted and without this option I perhaps would be precluded from receiving the loan ...," Glick testified.

"They (the sons) felt that their consideration of owning, or an opportunity to own 50% was correct, since through the efforts of their father that is how I was obtaining the loan."

Later, Glick said that out of a sense of obligation to Joseph and John he appointed them as attorneys for Argent. Joseph agreed that he would represent Argent for a retainer of $50,000 a year.

"I probably would not have paid those type of fees to an outside law firm for the work that I received," Glick said.

During a taped conversation in 1979, Frank Balistrieri said he had discussed skimming with the man who succeeded Glick. Balistrieri referred to the skim as "the white stuff," but the skim was definitely green.

One of the main men in the skimming operation was Carl Thomas, who was a well-dressed, well-manicured model of the successful businessman.

"You have to compromise the people within the casino," Ouseley said. "You have to get a security guard to work for you and protect you, and you go in the morning and you get into the cash cage and you open the box and you take the cash out and close the boxes before the count team comes in."

The FBI taped Thomas discussing how in the past he avoided security cameras by crawling on his belly to get to the casino cash box in the count room.

During an April 28, 1980, wiretapped conversation, Frank Balistrieri said: "I guarantee Carl Thomas'll talk."

In the same conversation, Frank and Joseph Balistrieri indicated that they suspected they were on the brink of their own downfall.

Referring to federal officials who arrested Mafia leaders in Kansas City, Joseph said: "They got KC wrapped up, they got 'em."

Frank: "Yeah, they're gonna tie us in."

Joseph: "They got 'em wrapped up, bedecked and beribboned."

But it wasn't for a party.

In court, a half-dozen mobsters involved in skimming in Las Vegas were sent to prison in 1986.

Meanwhile, on the street, four people associated with those involved in the skimming scheme have been murdered since 1975: two Chicago gangsters who worked in Las Vegas, a former business associate of Glick and a pit boss who worked for Glick.

The bodies of Tony Spilotro and Spilotro's brother, Michael, were found buried in a cornfield in Indiana in 1986.

Tamara Rand, a San Diego businesswoman who invested in businesses owned by Glick, was shot to death with a .22-caliber pistol in 1975.

DATE Friday Nov 11, 1988
PUBLICATION Milwaukee Sentinel
DCIR FILE NUMBER OC-1

COMMENTS Page 2 of 3

NEWSPAPER CLIPPING
DCI-43 (Rev. 7/79)

WISCONSIN DEPARTMENT OF JUSTICE
DIVISION OF CRIMINAL INVESTIGATION

Edward (Marty) Buccieri, the pit boss, was shot to death in 1975 in Las Vegas on orders of Frank Ballstrieri, according to a federal document filed in court. No motive was cited, and no one was charged.

After Ballstrieri pleaded guilty in Kansas City to skimming, he was sentenced to 10 years, which runs concurrently with his sentence of 13 years on extortion, gambling and tax charges in Milwaukee.

Before Ballstrieri was sentenced, Civella, his associate and sometimes adversary, died. And Rosenthal nearly lost his life in his car, but it wasn't in a traffic accident.

A bomb exploded.

Saturday: The future.

DATE Friday Nov 11, 1988

PUBLICATION Mil Sentinel

DCIR FILE NUMBER OC-1

COMMENTS Page 3 of 3,

NEWSPAPER CLIPPING
DJ-DCI-43 (Rev. 7/79)

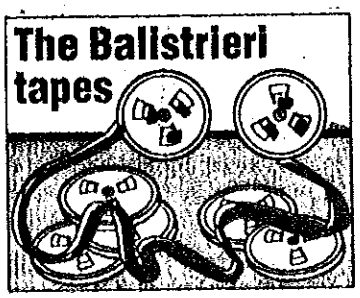
Balistrieri convictions left void in local Mafia, FBI agents say

Last of a series
By MARY ZAHN
and WILLIAM JANZ
Sentinel staff writers

The lifestyle of Frank P. Balistrieri gave him a stage on which he played the leading part, but he never noticed the curtain falling.

For nearly 30 years, Balistrieri's name was mentioned in reports of threats and intimidation and mob deaths, investigations of gambling and extortion and other crimes, and in hundreds of news stories that gave him an incredible notoriety. Yet, he didn't see the end coming.

One person did.



Antonina Balistrieri, one of the few who stuck with him through his tumultuous life since the 1930s, warned him that the end was approaching. Married to him for 49 years, she was recorded by the FBI as saying:

"They're laying the groundwork to hang you, Frank, and you don't know your enemy. You keep thinking I'm your enemy. You keep thinking the other ones are your friends and your friends are going to hang you."

She also said, "Frank, you're gonna get hung by your nails, Frank. Giving confidence to people you don't know nothing about."

Two people in whom he confided were undercover FBI agents. With the help of tape recordings and agents from FBI offices here and elsewhere, Balistrieri was caught, convicted and sentenced to 13 years in prison for extortion and other crimes.

Balistrieri is 70 years old, and his mandatory release date from prison is 1992. Many of the people left in the Mafia here are aged or in prison, and the status of the local mob has been questioned.

"Our biggest power used to be our secrecy. But now it's not that way anymore because if one talks, the FBI tells everybody," Balistrieri said, referring to coverage of him and his associates in the media.

An Italian-American whose father's parents were immigrants, Michael DeMarco has worked in organized crime for 20 years, has lived in New York City, Chicago and Milwaukee, knows the Mafia well, and studied the Sicilian language.

Like most Italian-Americans, DeMarco, 46, is not a criminal. He is one of dozens of FBI agents who helped make a big dent in organized crime here. The dent occurred with the loss of Balistrieri's leadership.

Although Balistrieri is in prison, the Mafia, or La Cosa Nostra, "is not gone by any means," DeMarco said. "It's been dented, but not destroyed."

During a recording taped by the FBI in 1980, John Balistrieri, son of Frank and Antonina, spoke to his mother, who was worried about legal problems:

"Mom, mother, let me tell you something, this is our life. This was the life of your great-great-grandfather. . . . . Your father, this is our life. I don't worry about it. This is our life."

Many of Frank Balistrieri's businesses are in shambles and both of his imprisoned sons, John and Joseph, have denounced their father as a lying, evil man.

The FBI tape recordings of Frank Balistrieri, who was such a force in this community, showed that he was difficult to have as an enemy, became difficult to have as a friend, difficult to have as an employer, and even difficult to have as a father. His two sons ripped him apart publicly.

And in a recorded conversation in 1980, John said, "People don't want to work for him."

"Well, I'm not gonna tell him that," Mrs. Balistrieri said.

"Because he treats them (employes) that way," John said. "And the people who show him loyalty he doesn't give 'em any."

"That loyalty thing, bull . . .," Frank Balistrieri said in another taped conversation.

Speaking about the status of organized crime here, DeMarco said, "The Mafia or La Cosa Nostra is at a very low ebb, based on its obvious lack of leadership. That does not mean it will not swing back again when forceful individuals take leadership roles in the future.

"Basically, the LCN is money-oriented. If the LCN from Kansas City or Chicago saw a financial reason to come to Milwaukee, I do not believe they would hesitate to do so."

DeMarco, who was accompanied by an agent for a while because of threats during the investigation, said, "Since the 1950s, the Milwaukee La Cosa Nostra family has been subservient to the Chicago family. Furthermore, the Milwaukee family has close ties to the LCN family in Kansas City. The Milwaukee family has, in the past, imported people from Kansas City to assist them.

"Both factors lend credence to the . . . theory that Chicago or other LCN figures could fill the void in Milwaukee."

William N. Ouseley, a former FBI agent and expert on Midwest organized crime families, is not positive that families from other cities would move in here.

"You cannot talk about La Cosa Nostra as a whole," he said. "You've got to go to every city. There isn't any one magic that says this one thing happens to La Cosa Nostra all at the same time. These are independent groups.

"Historically and traditionally other cities have not moved in to take over other cities. Why is it that Kansas City has taken a severe blow and yet we still have a sizable amount of activity, as opposed to Denver which has taken a severe blow and they got nothing, or St. Louis which seems to be falling apart and maybe Milwaukee?"

DATE Sat Nov 12, 1988
PUBLICATION Milwaukee Sentinel
DCIR FILE NUMBER OC-1

COMMENTS Page 1 of 2.

NEWSPAPER CLIPPING
DJ-DCI-43 (Rev. 7/79)

"Hell cannot be any worse for me. But I will never know, for when I am judged by the judge of judges, the worst sentence I can get is purgatory."

— **FRANK P. BALISTRIERI,** writing to a judge

Referring to heads of some organized crime families who involve their children in crime, Ouseley said, "They see it the same as bringing your kids into the shoe business. This is what life is all about. We're right and they're wrong.

"If you go to the different cities and you check the offspring of some of these people, you see some of everything. Some have been in it. In some cases, their father didn't want them to be in it. Others think it's the only way of life and they believe in it, because La Cosa Nostra does have certain conditions and some of the old-timers don't see anything evil."

Frank Balistrieri obviously doesn't think of himself as evil. This was just his business, operated in the way some respected, Sicilian men have operated similar businesses in this country back to the 19th century.

He reportedly took over from his wife's father, who took over from somebody else. But, like them, Frank Balistrieri wasn't an ogre you could spot on the street. He was recorded threatening to kill people, but he dressed like a businessman on his way to an important lunch.

Talking about buying ice cream for his employes, Balistrieri was recorded as saying, "But nobody'd ever believe a gang boss would do this."

DeMarco, who is proud of his Italian heritage, said, "I think the Italian-Sicilian community in general is affronted when they read or see on TV the results of Mafia action whether it's in the United States or in Italy.

"It's a minuscule percentage of the people with Italian heritage who create a bad image for that vast majority of honest, hard-working people," he said. "The Italian heritage is so full of so many excellent people, especially in the arts, that it is an affront that a small group of people who belong to a secret society can have an adverse effect on a much larger population."

Asked if Frank Balistrieri were still active in decisions in the community here, DeMarco said, "Our indication based on the review of prison records shows that there is very little contact between Frank Balistrieri and friends in Milwaukee. Frank, from my perception, is somewhat ostracized by the community in Milwaukee and particularly by his sons Joseph and John."

DeMarco also said the future of the Mafia in Milwaukee would partially depend on 30 to 50 second- and third-generation Sicilian-Americans whose families have been involved in organized crime in the past. If they go one way, the Mafia could come back; if they go another way, the Mafia's future here would be in trouble.

Frank Balistrieri's sons were much more visible in the community, especially Joseph, who often was regarded as the most intelligent person in any room he was in. He was flash and wit, and when he tore his father apart in a letter to a judge, it sounded like an assault put to poetry.

After graduating from law school in 1965, Joseph sold life insurance and promoted rock 'n' roll bands until he could get his law practice going. His first law office was in his parents' home. In 1966, he opened his own office, and his brother joined him in 1973.

"I never wanted John to become a lawyer," Joseph testified. "John was always interested in business. . . . I am a lawyer who happens to be in business. My brother John is actually a businessman who happens to be a lawyer."

His father referred a number of cases to him, Joseph testified.

"My father's record is 100%, I never got paid a cent," he said.

After he had been out of law school five years, Joseph assumed the mortgage on his parents' home, and a short time later purchased the Shorecrest Hotel for about $1 million, he testified.

His brother, John, has told prison officials that he intends to live at the Shorecrest and be "self-employed as a management investor for his brother and himself" when he is released.

Although the FBI doesn't believe it, Joseph, 48, and John, 40, have maintained they were the innocent victims of their father. The brothers are expected to be released from federal prisons in the next few months, after having served about three years for extortion.

And federal and state officials have expressed hope that the community remains quieter without Frank Balistrieri.

Whether the days of organized crime return will be up to the people Frank Balistrieri left behind.

In a letter to a judge in 1987 Balistrieri wrote, "I have one consolation. Hell cannot be any worse for me. But I will never know, for when I am judged by the judge of judges, the worst sentence I can get is purgatory."

DATE Sat Nov 12 1988

PUBLICATION Milwaukee Sentinel

DCIR FILE NUMBER OC-1

COMMENTS Page 2 of 2.

CASE ACTIVITY REPORT
DJ-DCI-25

WISCONSIN DEPARTMENT OF JUSTICE
Division of Criminal Investigation — Operations
123 W. Washington Ave.
Madison, Wisconsin 53703

Date: October 18, 1971

Case No.: OC-2

INVESTIGATORS: Donald A. Schmidt

SUBJECT OF INVESTIGATION: AD LIB

On Wednesday, October 13, 1971, and Thursday, October 14, 1971, S/A SCHMIDT entered the AD LIB to determine who was currently employed there. On October 13, 1971, S/A SCHMIDT entered the AD LIB at 10:40 p.m. There were approximately 40 patrons on the premises at this time. There was room at the bar so SCHMIDT sat there. There were two persons behind the bar, one male and one female. They are the same two bartenders that were working on prior occasions. S[redacted] B[redacted] and one other female were taking care of the customers at the tables. The unnamed female was observed working there before. It appeared on this particular evening that the same personnel continue to be employed. SCHMIDT did not observe any of the persons involved in the management of the AD LIB on the premises. At 10:20 p.m., JOSEPH ENEA'S auto was observed outside the AD LIB, but the auto was gone when SCHMIDT entered. At approximately 11:00 p.m., several Milwaukee Police Department detectives, one of them CHARLES HAASE, entered the AD LIB and stood by the east end of the bar where they were served a drink. HAASE did not acknowledge SCHMIDT or did not see him. HAASE asked where JIM was, apparently referring to JAMES JENNARO. HAASE was advised that JIM was involved in an accident recently and has not been in. SCHMIDT left the AD LIB at 11:30 p.m. HAASE and his partner remained at the bar.

On October 14, 1971, S/A SCHMIDT entered the AD LIB at 11:00 p.m. There were approximately 30 customers in the AD LIB at this time. The bar was full so SCHMIDT took a seat at a table close to the entrance of the establishment. S[redacted] B[redacted] served SCHMIDT his drink and one other unknown female was serving the customers seated at the tables. This waitress, 40's, 5'5", 135#, was not seen in the AD LIB before. The table next to SCHMIDT was the table where the employees and strippers sat when not working. The blonde waitress appeared to have consumed more than her share of drinks. She did almost no work, so S[redacted] B[redacted] was kept busy. The strippers, MISS PATTY and MISS FANCY, sat at the table between appearances. MISS PATTY, a Negro female, started a conversation with SCHMIDT. She stated that she was married, 4 1/2 months pregnant and underage to be working at the AD LIB. She said she was 20 on August 31, 1971, but later referred to the party on her

RECEIVED
OCT 27 1971
DCI - CIIC

OC-2-2

19th birthday. This party was at the AD LIB and everyone had champagne. MISS PATTY stated that she has been married since she was 16 and has one child. Her husband does not approve of her stripping but she said she always wanted to be a dancer. SCHMIDT bought a drink for MISS PATTY. The drink, a straight shot of whiskey, costed $2.50. MISS PATTY offered SCHMIDT a sip so SCHMIDT would know it was the real thing. SCHMIDT accepted her offer and found the drink to be whiskey. MISS PATTY then discussed the honesty of the management and JOE ENEA. She stated that the management would not cheat or take advantage of the customers. At 12:30 a.m., MISS PATTY was scheduled to dance. She went upstairs to get ready but asked SCHMIDT to remain for her act. SCHMIDT remained for the act but departed immediately after it.

JOSEPH ENEA was not present when SCHMIDT entered the bar, although his auto was parked outside at 10:30 p.m. SCHMIDT did not see ENEA re-enter the AD LIB but observed him at the bar at 12:00 a.m. Shortly after midnight, SCHMIDT observed a Milwaukee Vice Squad team enter the AD LIB. One of the officers was PAUL VILLJEVAC. They remained at the bar when SCHMIDT departed at 12:50 a.m.

On the occasions that SCHMIDT checked the AD LIB, SCHMIDT also checked the vehicles in the area to determine if any of them were familiar. SCHMIDT noted that JOSEPH ENEA'S auto now has a regular Wisconsin plate, LC2956. This license number is listed to WHEELS OF WISCONSIN, 1415 West Silver Spring Drive, Milwaukee. The other license plate numbers that SCHMIDT noted were checked on October 15, 1971. The only recognized name was JOSEPH PISCIONE JR., 9111 West Bluemound Road. Wisconsin Plate W55-087 is on a 1968 Buick listed to PISCIONE. Other license plates noted and checked did not appear familiar. They are as follows:

L26-795 (Wis. 72')	R & D S [redacted] Milwaukee, Wisconsin 1970 Chrysler Convertible
Q50-244 (Wis. 72')	P [redacted] & P [redacted] A [redacted] Milwaukee, Wisconsin 1966 Buick
JE3008 (Wis. 72')	C [redacted] B [redacted] Milwaukee, Wisconsin 1967 Cadillac

On Tuesday, October 12, 1971, SCHMIDT observed JOSEPH MANIACI'S 1963 Cadillac, W57-740, parked on West Wells Street. The Cadillac was also there on Wednesday and Thursday, October 13 and 14. The auto of RUDY PORCHETTA, S52-461, was parked on West Wells Street on Tuesday and Wednesday, October 12 and 13, but was not observed on Thursday, October 14, 1971.

DAS:sv

WISCONSIN DEPARTMENT OF JUSTICE
CRIMINAL DIVISION

High Court Lets Liquor Case Stand

Staff Correspondence

Madison, Wis. – The Wisconsin Supreme Court Wednesday set aside the dismissal of 13 state liquor law violations against Mando Enterprises, operator of the Ad Lib, a night spot at 323 W. Wells St.

Outagamie County Judge Nick F. Schaefer imposed $2,600 in fines on the corporation on April 2, 1970, for violating state beer and liquor credit purchasing and licensing laws.

On March 22, 1971, Circuit Judge Hugh R. O'Connell reversed Schaefer's judgment and dismissed the case against Mando Enterprises, which has been linked to Frank P. Balistrieri, widely known nightclub operator convicted of federal income evasion.

Joseph Balistrieri, attorney for Mando, contended that the charges against Mando Enterprises were civil actions that were being brought as criminal actions. O'Connell agreed that the actions were civil and ordered dismissal.

O'Connell appointed Joseph Balistrieri as a court commissioner. Joseph is Frank Balistrieri's son.

In reversing the dismissal, Justice Robert W. Hansen said in the unanimous court opinion that the question of whether the violations were criminal rested squarely on the wording of the statutes involved. He said the statutory definition of crime applied to the statutes involved in the appeal.

RECEIVED
JAN 11 1973

DCI		CIIC	

Comments:

Date: January 3, 1973
Publication: Milwaukee Journal

	O.C.	NARC.	GEN.	SPEC.
Coordination:	Ulay		d	

Submitting Unit: Milwaukee Office

CIIC File #:	OC	2	9	

WISCONSIN DEPARTMENT OF JUSTICE
CRIMINAL DIVISION

IRS Acts on Ad Lib's Tax Bill

A federal tax lien has been filed against the Ad Lib, a Milwaukee nightclub linked to Frank P. Balistrieri, his family and associates.

The Internal Revenue Service said Mando Enterprises, the corporation that owns the club at 323 W. Wells St., failed to pay $25,426 in corporate income taxes and late penalties for the year ending June 30, 1970.

The lien gives the IRS priority over other creditors in the event of bankruptcy. It may seize the club if efforts to obtain the alleged late taxes fail.

RECEIVED

MAR 5 1973

DCI			CIC

Comments:

Date: February 23, 1973
Publication: Milwaukee Journal

	O.C.	NARC.	GEN.	SPEC.
Coordination:	XX			

Submitting Unit: Milwaukee Journal
CIIC File #: OC - 2 - 12

AD-75

DEPARTMENTAL CORRESPONDENCE

Date: November 22, 1971

To: Herbert Krusche, Assistant Director of Operations

From: Andrew L. Somers, Jr., Assistant Attorney General

Subject: Mando Enterprises

On November 18, 1971, at 9:00 a.m., a hearing was held in Judge Russell Mittelstadt's court for the purpose of taking handwriting samples from Jennie Alioto and Joseph Maniaci, both defendants in a sales tax fraud case involving Mando Enterprises, Inc. Although the corporation and the individuals named were originally represented by Attorney Joseph Balistrieri, that attorney did not appear in court. Donald Eisenberg appeared "of counsel" and objected to the handwriting order after which he allowed his clients to give us the samples. Attached to this memo you will find a Xeroxed copy of Maniaci's and Alioto's handwriting samples, the original of which will be forwarded to Howard Doulder for document examination at his lab in Chicago, Illinois.

Andrew L. Somers, Jr.
Assistant Attorney General

ALS:ble

Enclosure

RECEIVED

DEC 7 1971

DCI			CIIC

OC-3-10

1. Towne Realty [redacted]

2. Continental Bank [redacted]

3. Checks printed [redacted]

4. White Auto Car Co. [redacted]

5. Milwaukee Journal [redacted]

6. J[redacted] D[redacted] [redacted]

7. James Jennaro [redacted]

8. Sue Bartfield [redacted]

9. Jennie Alioto [redacted]

10. R[redacted] [redacted] M[redacted] [redacted]

11. Joe Enea [redacted]

12. Peter Balistrieri [redacted]

13. A[redacted] M[redacted] [redacted]

14. A[redacted] M[redacted] [redacted]

15. J[redacted] M[redacted] [redacted]

16. J[redacted] M[redacted] [redacted]

17. John Rizzo [redacted]

18. J[redacted] B[redacted] [redacted]

19. Walter Brocca [redacted]

20. James Jennaro [redacted]

Signed by [redacted] Date 11/18/71

Witnessed by: Donald R. Murphy Date 11/18/71

41. Mando Enterprises, Inc.

42. Continental Bank & Trust Co

43. The Kings IV

44. First Federal Savings & Loan Association

45.

46. First Wisconsin National Bank

47. B B

48. R E

49. Sally's Steak House

50. Brocca Builders

51. V V

52. G E

53. H

54. M

55. C L

56. B R

57. V V

58.

14. First Federal Savings & Loan Association [redacted]

15. Standard Savings & Loan Association [redacted]

16. First Wisconsin National Bank [redacted]

17. Benedetta Balistrieri [redacted]

18. R[redacted] P[redacted] [redacted]

19. Sally's Steak House [redacted]

20. Brocca Builders [redacted]

21. V[redacted] V[redacted] [redacted]

22. G[redacted] E[redacted] [redacted]

23. H[redacted] [redacted]

24. M[redacted] [redacted]

25. C[redacted] L[redacted] [redacted]

26. B[redacted] R[redacted] [redacted]

27. V[redacted] V[redacted] [redacted]

28. R[redacted] [redacted]

29. G[redacted] E[redacted] [redacted]

Signed by: [redacted] Date 11/18/71

Witnessed by: Donald R. Murphy Date 11/18/71

21. Joe Enea [redacted]

22. Edison Liquor [redacted]

23. Bonfire, Inc. [redacted]

24. Wisconsin Dept. of Revenue [redacted]

25. Frank P. Balistrieri [redacted]

26. Joseph P. Balistrieri [redacted]

27. January [redacted]

28. March [redacted]

29. February [redacted]

30. June [redacted]

31. April [redacted]

32. May [redacted]

33. July [redacted]

34. August [redacted]

35. September [redacted]

36. December [redacted]

37. November [redacted]

38. October [redacted]

39. Deposits [redacted]

40. Cash Disbursements [redacted]

25. Frank P. Balistrieri [redacted]

26. Joseph P. Balistrieri [redacted]

27. January [redacted]

28. March [redacted]

29. February [redacted]

30. June [redacted]

31. April [redacted]

32. May [redacted]

33. July [redacted]

34. August [redacted]

35. Septembe [redacted]

36. December [redacted]

37. November [redacted]

38. October [redacted]

39. Deposits [redacted]

40. Cash Disbursements [redacted]

Signed b [redacted] Date 11/18/71

Witnessed by: [redacted] Date 11/18/71

60. Agents Commission [redacted]

61. Scorch [redacted]

62. Suzette [redacted]

63. T[redacted] S[redacted] [redacted]

64. L[redacted] D[redacted] [redacted]

65. M[redacted] D[redacted] [redacted]

66. S[redacted] A[redacted] [redacted]

67. J[redacted] D[redacted] [redacted]

68. W[redacted] [redacted]

69. Jos. Schlitz Realty Co. [redacted]

70. Stephan DiSalvo [redacted]

71. Joseph Maniaci [redacted]

72. Income [redacted]

73. None [redacted]

74. No income [redacted]

75. A[redacted] P[redacted] [redacted]

76. F[redacted] M[redacted] [redacted]

77. A[redacted] C[redacted] [redacted]

78. Joseph Caminiti [redacted]

79. Bruce Bail [redacted]

3. T[redacted] S[redacted] [redacted]

4. L[redacted] D[redacted] [redacted]

5. M[redacted] D[redacted] [redacted]

6. S[redacted] A[redacted] [redacted]

7. J[redacted] D[redacted] [redacted]

8. W[redacted] [redacted]

9. Jos. Schlitz Realty Co. [redacted]

0. Stephan DiSalvo [redacted]

1. Joseph Maniaci [redacted]

2. Income [redacted]

3. None [redacted]

4. No income [redacted]

5. A[redacted] P[redacted] [redacted]

6. F[redacted] M[redacted] [redacted]

7. A[redacted] C[redacted] [redacted]

8. Joseph Caminiti [redacted]

9. Brass Rail [redacted]

igned by: [redacted] Date 11/18/71

itnessed by: Donald K. Murphy Date 11/18/71

0. R[redacted] P[redacted] [redacted]

1. F[redacted] B[redacted] [redacted]

2. Ad Lib [redacted]

3. Write the numbers from 1 to 25 [redacted]

4. Write the letters of the alphabet using Capital letters [redacted]

5. Write the letters of the alphabet using small letter style [redacted]

6. Print the letters of the alphabet [redacted]

7. Owner [redacted]

8. Commercial Sales Corporation [redacted]

9. Joseph Maniaci [redacted]

0. D[redacted] E[redacted] [redacted]

1. Downtowner Cocktail Lounge [redacted]

83. Write the numbers from 1 to 25 [redacted]

84. Write the letters of the alphabet using Capital letters [redacted]

85. Write the letters of the alphabet using small letter style [redacted]

86. Print the letters of the alphabet [redacted]

87. Owner [redacted]

88. Commercial Sales Corporation [redacted]

89. Joseph Maniaci [redacted]

90. Donald S. Eisenberg [redacted]

91. Downtowner Cocktail Lounge [redacted]

92. Ben-Kay, Inc. [redacted]

Signed by: [redacted] Date 11/18/71

Witnessed by: Donald K. Murph Date 11/18/71

93. A[redacted] D[redacted]

94. Peter Gaudesi

95. Ebony White

96. James Jennaro

97. Jack White, Inc.

98. I[redacted] F[redacted]

99. M[redacted] O[redacted]

100. A[redacted] P[redacted]

101. President

102. Vice President

103. Secretary

104. Treasurer

105. Secretary-Treasurer

106. Midland National Bank

107. For deposit only

108. Paid cash

16. James Jennaro [redacted]

17. Jack White, Inc. [redacted]

18. L[redacted] F[redacted] [redacted]

19. M[redacted] O[redacted] [redacted]

10. A[redacted] [redacted] F[redacted] [redacted]

11. President [redacted]

12. Vice President [redacted]

13. Secretary [redacted]

14. Treasurer [redacted]

15. Secretary-Treasurer [redacted]

16. Midland National Bank [redacted]

17. For deposit only [redacted]

18. Paid cash [redacted]

:GNED BY [redacted] Date 11/18/71

.tnessed by: Donald K. Murphy Date 11/18/71

NEWSPAPER CLIPPING
DJ-DCI-43 (Rev. 11/74)

WISCONSIN DEPARTMENT OF JUSTICE
DIVISION OF CRIMINAL INVESTIGATION

Sentenced in 1972, Two Granted Stay

Sentinel Madison Bureau

Madison, Wis. — An assistant attorney general who argued in court here Monday that white collar criminals are treated more leniently than the poor lost a bid to have officials of a Milwaukee corporation begin serving jail sentences imposed in 1972.

Dane County Judge Archie Simonson ordered a stay of execution of sentences given to two officials of Mando Enterprises, former owner of the Ad Lib nightclub in Milwaukee.

The two corporation officials, Jennie Alioto and Joseph Maniaci, were convicted more than 2½ years ago on two counts each of aiding and abetting Mando Enterprises in the filing of false and fraudulent sales tax returns.

"I'm concerned about consistency in the criminal justice system. Certain criminals are placed in jail quickly, while others are not. I'm very disturbed about that," Asst. Atty. Gen. Peter Peshek told Simonson.

Maniaci had been sentenced to one year's probation and to 10 days in the Milwaukee County Jail with Huber Law privileges. Miss Alioto had been sentenced to one year probation and 60 days in the county jail.

The sentences had been stayed pending an unsuccessful appeal to the State Supreme Court last June, and Milwaukee Atty. Joseph Balistrieri contended Monday that another stay should be granted pending outcome of a Federal Court action he had filed in behalf of Maniaci and Miss Alioto.

"In every Christian and civilized nation of the world at this time of year" leniency is shown in sentencing in such cases, Balistrieri told Simonson.

Balistrieri said his request for a stay was not a delaying tactic.

"The sentences involved are not long, but if the Federal Court rules in our favor, how are you going to give them (the defendants) back this time?" he asked.

Since convicted, he said, the defendants "have had remarkable behavior" and had not received "even a parking ticket."

Peshek argued that his experience with criminals had led him to believe that prison was a better deterrent for white collar criminals than it was for poor and minority persons convicted of criminal activity.

"Therefore," Peshek said, "I feel that they should forthwith begin their sentences."

In his decision to grant the stay, Simonson said: "I thnik the element of fair play and justice dictates that as long as the (Federal Court) action is still alive, the sentence should be stayed . . . . I really see no harm coming in a further delay."

Balistrieri said that the Federal Court action should be ready by Feb. 1.

Grounds for Writ

He is seeking a writ of habeas corpus on the grounds that due process may not have been afforded the defendants and because an allegedly prejudicial remark was made by the trial judge.

Maniaci was president of Mando Enterprises, and Miss Alioto was the bookkeeper when the charges were filed against them.

The Ad Lib, 323 W. Wells St., was one of several Milwaukee taverns that had been linked to Frank P. Balistrieri, father of Joseph.

RECEIVED
JAN - 2 1975
DCI CIIC

DATE December 24, 1974
PUBLICATION Milwaukee Sentinel

	O.C.	V.A.	S.A.	D.D.	A.T.	F.M.
COORDINATION						

SUBMITTING UNIT Milw DCI
DCIR FILE NUMBER 00-B-28

WISCONSIN DEPARTMENT OF JUSTICE
CRIMINAL DIVISION

Full Penalty Asked in Ad Lib Case

Sentinel Madison Bureau

Madison, Wis. – The State Justice Department Monday asked for the maximum one year jail term for two defendants convicted of sales tax evasion in the operation of the Ad Lib, a downtown Milwaukee strip club.

Mando Enterprises, Inc., Miss Jennie Alioto, bookkeeper, and Joseph Maniaci, president of the corporation, were convicted of sales tax fraud, a misdemeanor, in the court of Dane County Judge Russell J. Mittelstadt on Jan. 26.

Asst. Atty. Gen. Andrew Sommers Monday asked Mittelstadt for the maximum penalty on behalf of the "candy store owner that sets aside his four pennies to pay the sales tax."

The Ad Lib is one of several Milwaukee nightclubs linked to Frank P. Balistrieri, relatives or associates.

Mittelstadt took the sentencing under advisement after denying a defense motion to grant a new trial for alleged errors in the admission of testimony and prejudicial decisions.

RECEIVED

FEB 25 1972

DCI		CIIC	

Comments:

Date: Milwaukee Sentinel
Publication: 2-22-72

	O.C.	NARC.	GEN.	SPEC.
Coordination:	Gray			

Submitting Unit: Milwaukee Office
CIIC File #: 00-13-73

WISCONSIN DEPARTMENT OF JUSTICE
CRIMINAL DIVISION

Firm Found Guilty of Tax Fraud

The corporation that formerly ran the Ad Lib, a Milwaukee nightclub, and two of its officers have been found guilty of sales tax fraud by Dane County Judge Russell J. Mittelstadt.

Mittelstadt issued the finding in the case against Mando Enterprises; Miss Jennie Alioto, the corporation's bookkeeper, and Joseph Maniaci, president.

Maniaci and Miss Alioto each were found guilty of two counts of signing false and fraudulent sales tax returns.

The returns were for May and June, 1968. May sales were reported at $8,030 while the state said they actually were $16,732, and June sales were reported as $7,450 while the state said they were $15,350.

The corporation was convicted on the same two counts plus a third count for April, 1968, in which sales of $7,400 were reported while the state claimed sales actually were $14,378.

The Ad Lib is one of several Milwaukee nightclubs linked to Frank P. Balistrieri, his relatives and associates. He now is serving a term in Federal Prison at Sandstone, Minn., for income tax evasion.

Miss Alioto also was convicted on a sales tax fraud charge last June in a case involving Bals, Inc., which operates The Scene, another tavern linked to Balistrieri. She was found guilty of 28 counts of making fraudulent sales tax reports. Miss Alioto was fined $7,000 and placed on three years' probation.

She also faces a federal charge alleging that she was involved in a conspiracy to conceal Balistrieri's interest in the Kings IV, 720 N. Water St.

RECEIVED

FEB 4 1972

DCI		CIIC	

Comments:

Date: 1-25-72
Publication: Milw. Journal

	O.C.	NARC.	GEN.	SPEC.
Coordination:			C	

Submitting Unit: Milw.

CIIC File #: OC 3-12

WISCONSIN DEPARTMENT OF JUSTICE
CRIMINAL DIVISION

Two Guilty In Ad Lib Tax Case

Special to The Sentinel

Madison, Wis. — The corporation which formerly ran the Ad Lib, a downtown Milwaukee strip spot, and two corporation officials were found guilty of state sales tax fraud Wednesday by Dane County Judge Russell J. Mittelstadt.

Convicted following a bench trial were Mando Enterprises, Inc.; Miss Jennie Alioto, bookkeeper for the corporation, and Joseph Maniaci, president of the corporation.

The Ad Lib, 323 W. Wells St., is one of several Milwaukee taverns which have been linked to Frank P. Balistrieri, his relatives and associates.

Balistrieri is currently serving time at the federal prison at Sandstone, Minn., for income tax evasion.

Miss Alioto was convicted on a similar state sales tax fraud charge in June in a case involving Bals, Inc., the corporation which operates The Scene, N. 2nd St., another tavern linked to Balistrieri.

She also faces a federal charge alleging that she was involved in a conspiracy to conceal Balistrieri's interest in the Kings IV, 720 N. Water St. Balistrieri and his son, Joseph P., were charged in the same federal indictment.

In the Mando case, Miss Alioto and Maniaci were each found guilty of two counts of signing false and fraudulent sales tax returns.

The returns were for May and June, 1968. In the returns, May sales were reported as $8,030 while the state said they actually were $16,732 and June sales were reported as $7,450 while the state said they were actually $15,350.

The corporation was convicted on the same two counts plus a third count for April, 1968, in which sales of $7,400 were reported but the state claimed actual sales were $14,378.

The case was brought on a complaint by Donald R. Murphy, special agent in the Intelligence Section of the State Department of Revenue, and was prosecuted by Andrew Somers, assistant attorney general.

In the Bals, Inc., case, Miss Alioto was found guilty of 28 counts of making fraudulent sales tax reports and was fined $7,000 and placed on three years probation.

Also convicted in the Bals, Inc., case were Peter Balistrieri, Frank's brother, and Joseph Balistrieri, Peter's son.

The convictions were appealed to the State Supreme Court, but the appeal was denied by the high court last week.

Mando Enterprises operated the Ad Lib until July 1, 1970, when Joseph F. Enea, 1522 E. Kane Pl., became the licensee.

RECEIVED

JAN 31 1972

DCI			CIIC

Comments:

Date: 1-27-72
Publication: Milwaukee Sentinel

	O.C.	NARC.	GEN.	SPEC.
Coordination:				

Submitting Unit:

CIIC File #: OC - 3 - 11

WISCONSIN DEPARTMENT OF JUSTICE
CRIMINAL DIVISION

Peter Balistrieri's Son Hazy on Family Business

Joseph Balistrieri, son of Milwaukee nightclub operator Peter F. Balistrieri, said Tuesday that he knew little about the family business of which he was secretary-treasurer.

The younger Balistrieri gave pretrial testimony at the State Office Building here in connection with a $200,000 lawsuit filed by his father against state officials.

[Peter Balistrieri is a brother of Frank P. Balistrieri, who Monday began serving a federal prison sentence for tax evasion. Frank also has a son named Joseph, a Milwaukee attorney.]

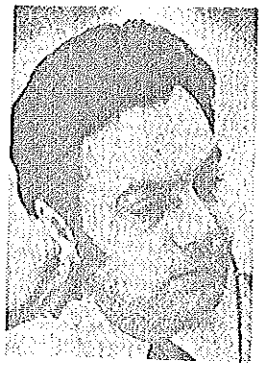
The lawsuit seeks $200,000 from Atty. Gen. Robert W. Warren and four State Justice Department staff members. It charges that a Nov. 28, 1969, police raid on the family nightclub, The Scene, 624 N. 2nd St., was staged to harass the Balistrieris.

Joseph Balistrieri, 30, testified that he had worked off and on as a bartender at The Scene, but did not recall the exact dates of his employment there.

He said he was not working at The Scene the night that Milwaukee police conducted the raid.

Asst. Atty. Gen. Sverre O. Tinglum asked Balistrieri whether he had heard conversations describing the raid as an attempt to close The Scene "because of any alleged connection with organized crime."

Balistrieri's attorney, Donald S. Eisenberg, Madison, instructed him not to answer the question. About the same time, Eisenberg moved behind Tinglum and Asst. Atty. Gen. David J. Hanson, facing Balistrieri.



Joseph Balistrieri

Eisenberg sat on a table behind the state attorneys, prompting Hanson to ask him to move back within view. Hanson said Eisenberg might be giving signals to his client.

"I take great offense at that, Mr. Hanson," Eisenberg said. "There are no signals being given. I just happen to be cooler on this side of the table."

Returning to the question about organized crime, Eisenberg then added:

"The only thing pertaining to this lawsuit is the malicious raid on the part of the Justice Department at The Scene."

Balistrieri said he had been secretary-treasurer in the family corporation that operated the nightclub. He said his father was president and his mother, Mary, was vice president.

Balistrieri testified that he did not know whether the corporation still existed, whether he still was an officer in it, whether he held stock in the corporation or whether the corporation was involved in any other business and said he knew nothing about its finances.

Balistrieri gave his address as 1634 N. Jackson St. He said he now was employed at the Kings IV, 720 N. Water St.

RECEIVED

JUL 6 1971

CIIC

Comments:

Date: 6-30-71
Publication: Milw Journal

	O.C.	NARC.	GEN.
Coordination:	HK		

Submitting Unit: Milw. OC-4-1
CIIC File #: OC-44

WISCONSIN DEPARTMENT OF JUSTICE
CRIMINAL DIVISION

Balistrieri Clerk Fined

By Edward S. Kersten
of The Journal Staff

Madison, Wis. – Miss Jennie Alioto, 45, bookkeeper for Bals, Inc., operator of The Scene, a Milwaukee nightclub at 624 N. 2nd St., was fined $7,000 and placed on probation for three years Wednesday by Dane County Judge Michael B. Torphy Jr. on state sales tax fraud charges.

Torphy fined Miss Alioto $250 — the maximum — on each of 28 counts of making fraudulent monthly sales tax reports for the corporation between January, 1966, and March, 1969. In addition to the maximum fine of $250, the statute provides a maximum County Jail term of one year for each violation of the state sales tax provisions.

The judge stayed six month County Jail terms on each of the first 26 counts and placed her on probation for one year. He also stayed two consecutive six month jail terms on the 27th and 28th counts and placed her on probation for one year on each of those counts. Thus she was placed on probation for three years during which she must pay the fines totaling $7,000, said Torphy.

Miss Alioto, the corporation and two other defendants, Peter F. Balistrieri, 52, corporation president, and his son, Joseph, 30, secretary-treasurer of the firm, were found guilty of sales tax fraud charges by a Dane County Circuit Court jury on June 5. The defendants

Turn to Sentence, page 2, col. 4

RECEIVED

SEP 20 1971

DCI		CIIC	

Comments:

Date: September 16, 1971
Publication: Milwaukee Journal

	O.C.	NARC.	GEN.
Coordination:			

Submitting Unit: OC-4-9

CASE ACTIVITY REPORT
DJ-DCI-25

WISCONSIN DEPARTMENT OF JUSTICE

Division of Criminal Investigation — Operations
123 W. Washington Ave.
Madison, Wisconsin 53703

Date: August 14, 1972

Case No.: OC-4

INVESTIGATORS: Special Agent Harold S. Engelbart and Assistant Director Herbert L. Krusche

SUBJECT OF INVESTIGATION: THE SCENE - PETER BALISTRIERI

On August 14, 1972, Assistant Director KRUSCHE and Special Agent ENGELBART contacted SALLY PAPIA.

SALLY advised that FRANK BALISTRIERI is still going to have control of the SCENE NIGHTCLUB, contrary to the information which was released to the newspapers. She stated that the information in the newspapers indicated that some theatrical people would be taking over the operation. However, SALLY stated that she knew that these people would actually be a front for FRANK BALISTRIERI'S operation of that night spot.

A newspaper article published in the Milwaukee Journal on July 30, 1972, stated that R[redacted] S[redacted], a long time local producer-choreographer and his associates would open the CENTRE STAGE DINNER PLAY HOUSE about September 15, 1972, in the site of the old SWAN THEATER, 616 North 2nd Street, which later became the SCENE NIGHTCLUB.

LEADS: Interview R[redacted] S[redacted] to determine what contacts, and with whom he has with the BALISTRIERI family.

Determine what arrangements, if any, have been worked out with the BALISTRIERIS.

Review liquor license application for operators under the new license.

HSE:ms
cc: OC-104

OC-4-36

CASE ACTIVITY REPORT
DJ-DCI-25

WISCONSIN DEPARTMENT OF JUSTICE
Division of Criminal Investigation — Operations
123 W. Washington Ave.
Madison, Wisconsin 53703

Date: September 28, 1972

Case No.: OC-4

INVESTIGATORS: Special Agents Richard W. Larsen and Donald A. Schmidt

SUBJECT OF INVESTIGATION: THE SCENE - PETER BALISTRIERI

On Wednesday, September 27, 1972, Special Agents LARSEN and SCHMIDT attended the opening performance at the CENTRE STAGE, formerly known as THE SCENE. Since this affair was the advertised gala opening, Special Agents LARSEN and SCHMIDT had their wives accompany them so that undercover conversations could be had with employees of the CENTRE STAGE and so that the agents would not stand out.

Special Agents LARSEN and SCHMIDT arrived and parked their auto in the 600 block of North 2nd Street at about 6:25 p.m. A Ford station wagon, license SC2726 (72) was observed parking across the street from the CENTRE STAGE. The car had a searchlite behind it. SC2726 (72) is listed AAA PET SUPPLY, INC., 5712 North Teutonia Avenue, Milwaukee.

Special Agents LARSEN and SCHMIDT and their wives entered the CENTRE STAGE at about 6:30 p.m. Upon entering the lobby, it was noted that the lobby was completely recarpeted and there were about eight new chairs and davenports located in the foyer. The carpeting and furniture appeared to be expensive.

Located throughout the lobby and at other locations were flowers. Most of the flowers had no cards attached. However, some had cards attached which indicated that they were sent by the FAZIOS, MILLER BREWERY, B[redacted] and R[redacted] C[redacted], and Local 18.

People were milling around the lobby and being waited on by up to six cocktail waitresses including S[redacted] B[redacted]. A service bar was located in the foyer and two bartenders were working it.

Also located in the lobby was the coat check room with two girls working there. There was no charge to check your coat, only two tip trays.

The main barroom had a sign on it, "Press Only" and it was crowded. A hostess at the door stated that the main bar was for the press only. Two bartenders were working that bar including C[redacted] B[redacted], former licensee of TINA'S LOUNGE on 17th and Fond du Lac Avenue.

At about 6:45 p.m., Special Agents LARSEN and SCHMIDT observed FRANK BALISTRIERI (OC-1) and Attorney JOSEPH BALISTRIERI (OC-6) taling near the coat room. Also observed were JOSEPH MANIACI and JOSEPH "BABY JOE" BALISTRIERI walking through the foyer.

At about 7:15 p.m., Special Agents LARSEN and SCHMIDT went to their table located on the balcony. As Special Agents LARSEN and SCHMIDT

RECEIVED

OCT 18 1972

DCI			CIIC

OC-4-17

went upstairs, Attorney HENRY PIANO was observed talking to FRANK BALISTRIERI. PIANO was with his wife and two other couples.

Special Agents LARSEN and SCHMIDT could observe most of the dinner theater from the balcony and estimated that it could seat about 600 people. During the course of the evening most tables filled up. It was noted that a bar was on the main floor of the theater and three bartenders were working there. The red carpeting and stage draperies on the first floor appeared to be new and expensive. The carpeting on the balcony floor appeared to be older.

Located on the balcony was another bar with one bartender. The bartender was friendly and advised Special Agent LARSEN that he owns the ELECTRIC PLAYGROUND on Muskego Avenue and only worked tonight because his good friend FRANK asked him to and what could he do.

INVESTIGATORS NOTE: The license section records reveal the ELECTRIC PLAYGROUND, 1460 South Muskego Avenue and 1642 West Bow, Milwaukee, licensed to N[redacted] T[redacted], D.O.B. [redacted], residing at [redacted], Milwaukee.

The bartender also stated that he is 40 years old. He said that a special rehearsal for FRANK'S friends was held last night by invitation only. About 350 people attended that opening, however, the bartender was not there. While talking to the bartender, City Clerk ALLEN CALHOUN came up to the bar and his conversation with the bartender indicated that they knew each other. The bartender stated that 60 people are employed at the NEW CENTRE including his fourteen year old son.

ALLEN CALHOUN'S table was three tables east of the agents and FRANK BALISTRIERI spent about ten minutes seated at it talking to CALHOUN and his female companion.

At about 7:55 p.m., Special Agents LARSEN and SCHMIDT observed Detectives AUGIE KNUEPPEL (ph) and GEORGE SORENSON of the Milwaukee Police Department, Special Assignments Squad, standing in the lobby. Special Agents LARSEN and SCHMIDT went up to them and Special Agent LARSEN introduced Special Agent SCHMIDT to SORENSON and Special Agent LARSEN asked "How did FAZIO buy it." AUGIE stated, "I don't know, we're here to talk to FRANK and PETER now." At that time FRANK BALISTRIERI appeared in the lobby and they walked over and both shook his hand and they talked. They were near the stairs and Special Agents LARSEN and SCHMIDT went back upstairs. From the top of the stairs the officers and BALISTRIERI'S legs could be seen and at 8:10 p.m., they were still standing there. A short time after that FRANK BALISTRIERI came upstairs and sat at HENRY PIANO'S table for ten minutes.

A program was furnished each patron outlining the play, prices of

drinks, and meal prices, cast and supporting personnel, and containing advertisements. That program book is attached to this report.

After dinner, a stage play was put on with two fifteen minute intermissions.

At the intermissions, Special Agents LARSEN and SCHMIDT mingled with the crowd in the lobby and observed PETER BALISTRIERI and JOSEPH ENEA walking around.

D[redacted] L[redacted], news director for WTMJ-TV talked to Special Agent LARSEN advising Special Agent LARSEN that he was here on free passes given the press. L[redacted] stated that last night a special dinner show was put on for stockholders, but he knew no stockholders.

Special Agents LARSEN and SCHMIDT engaged a blonde cocktail waitress in conversation. She said she worked here part time and was a full time employee of FOLEY & LARDER, and she did not want her boss to know she worked here. She worked last night at a special show for family and friends and 350 people attended. They paid $2.50 each for their dinner and she does not know if they had to pay for the show.

During the second intermission Special Agents LARSEN and SCHMIDT observed a Milwaukee Police Department Detective MIKE (LNU) shaking hands and talking in a very friendly manner with both FRANK and PETER BALISTRIERI.

After the last act, at about 12:00 midnight, most people left immediately with only a few going to the main bar. Special Agents LARSEN and SCHMIDT remained in the lobby until most people were gone and then left at about 12:20 a.m.

RWL:ms

File: OC-4

5

DETAILS:

On April 6, 1973, Auditor RICHARD ARKENBERG examined the monthly statements dated January 31, February 28, and March 30, 1973, for account #1107-925 of BALS, INC., d/b/a CENTRE STAGE (formerly THE SCENE), 624 North 2nd Street, Milwaukee, Wisconsin. The last examination of this account was made for the month ending April 28, 1972, on account #1107-925 of BALS, INC., d/b/a THE SCENE. The CENTRE STAGE officially opened for business on September 27, 1972. The account is held at the Heritage Bank of Milwaukee. The following was extracted:

Balance Last Statement: [redacted]
Credits during January 1973:
Debits during January 1973:
Balance January 31, 1973:

A single deposit of [redacted] in currency was made on January 29, 1973.

Balance January 31, 1973: [redacted]
Credits during February 1973:
Debits during February 1973:
Service Charge:
Balance February 28, 1973:

Checks Cleared

Check No.	Date	Payee	Amount
267	2-25-73	D[redacted] S[redacted]	[redacted]
(indorsed D[redacted] S[redacted] - J[redacted] S[redacted] #5251, Cashed Kohl's Food)			
312	2-25-73	Cash	[redacted]
(indorsed CENTRE STAGE - Downer Playhouse)			
258	2-18-73	L[redacted] R[redacted]	
235	2-18-73	D[redacted] G[redacted]	
132	2-04-73	S[redacted] G[redacted]	
248	2-18-73	E[redacted] G[redacted]	
(indorsed E[redacted] G[redacted] - 58-08-9559)			
290	2-25-73	V[redacted] R[redacted]	
237	2-18-73	R[redacted] B[redacted]	
258	2-18-73	L[redacted] E[redacted]	

RECEIVED
APR 24 1973
DCI - CIIC

OC-4-63

Check No.	Date	Payee	Amount
257	2-18-73	C[redacted] I[redacted]	$[redacted]
252	2-18-73	E[redacted] R[redacted]	
260	2-18-73	M[redacted] F[redacted]	
250	2-18-73	M[redacted] W[redacted]	
246	2-18-73	C[redacted] J[redacted]	
169	2-11-73	T[redacted] B[redacted]	
247	2-18-73	H[redacted] G[redacted]	
(indorsed H[redacted] - [redacted] - [redacted])			
244	2-18-73	R[redacted] R[redacted]	[redacted]
(indorsed R[redacted] R[redacted] - [redacted] - Midland National Bank)			
243	2-18-73	K[redacted] S[redacted]	[redacted]
(indorsed K[redacted] S[redacted] - [redacted] - Midland National Bank)			
262	2-18-73	E[redacted] K[redacted]	[redacted]
(indorsed E[redacted] K[redacted] - [redacted] - Midland National Bank)			
238	2-18-73	J[redacted] O[redacted]	[redacted]
(indorsed J[redacted] O[redacted] - [redacted], Apartment 26)			
255	2-18-73	R[redacted] B[redacted]	[redacted]
202	2-11-73	D[redacted] R[redacted]	[redacted]
(indorsed D[redacted] R[redacted] - [redacted] - [redacted])			
187	2-11-73	E[redacted] G[redacted]	[redacted]
101	2-06-73	Milwaukee Convention and Visitors Bureau, Inc.	[redacted]
(Pay Marine National Exchange Bank - Greater Milwaukee Hotel-Motel Assn. Inc. - Milwaukee Convention & Visitor Council 0029-6597)			
241	2-18-73	R[redacted] T[redacted]	[redacted]
245	2-18-73	C[redacted] C[redacted]	
256	2-18-73	R[redacted] F[redacted]	
194	1-28-73	M[redacted] V[redacted]	
168	2-11-73	W[redacted] N[redacted]	
(indorsed W[redacted] N[redacted] - [redacted])			
228	2-18-73	D[redacted] S[redacted]	[redacted]
189	2-11-73	E[redacted] R[redacted]	
230	2-18-73	S[redacted] S[redacted]	
225	2-18-73	S[redacted] S[redacted]	
171	2-11-73	C[redacted] F[redacted]	
103	2-04-73	C[redacted] F[redacted]	
(Pay to the order of M & I Bank of Mayville)			
229	2-18-73	R[redacted] S[redacted]	[redacted]
(For deposit only R[redacted] or A[redacted] S[redacted] #[redacted])			
226	2-18-73	J[redacted] S[redacted]	[redacted]

Check No.	Date	Payee	Amount
116	2-04-73	H[redacted] G[redacted]	[redacted]
167	2-11-73	I[redacted] J[redacted]	
200	2-11-73	M[redacted] K[redacted]	
172	2-11-73	R[redacted]	
170	2-11-73	D[redacted] G[redacted]	
231	2-18-73	D[redacted] S[redacted]	
227	2-18-73	V[redacted] R[redacted]	
209	2-16-73	WVTV Channel 18	
(Certified Check Memo #[redacted]			
173	2-11-73	J[redacted] O[redacted]	[redacted]
196	2-11-73	M[redacted] F[redacted]	
192	2-11-73	J[redacted] M[redacted]	
176	2-11-73	R[redacted] T[redacted]	
203	2-11-73	B[redacted] BROTHERS	
(B[redacted] BROTHERS, Food Service Equipment Distr., [redacted]			
Milwaukee, Wisconsin, Phone [redacted]			
177	2-11-73	J[redacted] L[redacted]	[redacted]
181	2-11-73	C[redacted] C[redacted]	
194	2-11-73	L[redacted] B[redacted]	
197	2-11-73	S[redacted] G[redacted]	
178	2-11-73	R[redacted] S[redacted]	
179	2-11-73	K[redacted] S[redacted]	
180	2-11-73	R[redacted] R[redacted]	
193	2-11-73	C[redacted] L[redacted]	
195	2-11-73	A[redacted]	
186	2-11-73	M[redacted] W[redacted]	
175	2-11-73	M[redacted] M[redacted]	
160	2-11-73	S[redacted] S[redacted]	
166	2-11-73	D[redacted] S[redacted]	
182	2-11-73	C[redacted] J[redacted]	
199	2-11-73	F[redacted] K[redacted]	
184	2-11-73	R[redacted] B[redacted]	
183	2-11-73	R[redacted] E[redacted]	
161	2-11-73	J[redacted] S[redacted]	
135	2-04-73	D[redacted] C[redacted]	
136	2-04-73	C[redacted] I[redacted]	
131	2-04-73	G[redacted] G[redacted]	
([redacted] Phone [redacted]			
124	2-04-73	E[redacted] R[redacted]	
208	1-28-73	S[redacted] G[redacted]	
164	2-11-73	R[redacted] S[redacted]	

Check No.	Date	Payee	Amount
128	2-04-73	[redacted]	[redacted]
138	2-06-73	ChanHASSEN DINNER THEATRE, INC.	
165	2-11-73	[redacted]	
134	2-04-73	[redacted]	
108	2-04-73	[redacted]	
133	2-04-73	[redacted]	
111	2-04-73	[redacted]	
163	2-11-73	[redacted]	
209	1-28-73	[redacted]	
102	2-04-73	[redacted]	
140	2-13-73	WVTV Channel 18	
(Certified Check Memo H-451, Heritage Bank of Milwaukee)			
137	2-04-73	[redacted]	[redacted]
105	2-04-73	[redacted]	
110	2-04-73	[redacted]	
[redacted]			
113	2-04-73	[redacted]	
129	2-04-73	[redacted]	
202	1-28-73	[redacted]	
[redacted]			
107	2-04-73	[redacted]	
162	2-11-73	[redacted]	
121	2-04-73	[redacted]	
127	2-04-73	[redacted]	
211	1-31-73	ChanHASSEN DINNER THEATRE, INC.	
200	1-28-73	[redacted]	
125	2-04-73	[redacted]	
237	2-04-73	[redacted]	
112	2-04-73	[redacted]	
114	2-04-73	[redacted]	
130	2-04-73	[redacted]	
234	2-04-73	[redacted]	
117	2-04-73	[redacted]	
118	2-04-73	[redacted]	
115	2-04-73	[redacted]	
205	1-28-73	[redacted]	
[redacted]			
179	1-28-73	[redacted]	
120	2-04-73	[redacted]	
201	1-28-73	[redacted]	
[redacted]			
104	2-04-73	[redacted]	
207	1-28-73	[redacted]	

Check No.	Date	Payee	Amount
238	2-04-73	S[redacted]	[redacted]
235	2-04-73	V[redacted]	
192	1-28-73	M[redacted]	
123	2-04-73	R[redacted]	
206	1-28-73	P[redacted]	
172	1-28-73	I[redacted]	
236	2-04-73	D[redacted]	
189	1-28-73	E[redacted]	
173	1-28-73	W[redacted]	
174	1-28-73	T[redacted]	
183	1-28-73	R[redacted]	
204	1-28-73	P[redacted]	
187	1-28-73	FRANK BALISTRIERI	
(indorsed CENTRE STAGE Dinner Playhouse)			
177	1-28-73	J[redacted]	
199	1-28-73	C[redacted]	
198	1-28-73	D[redacted]	
190	1-28-73	JOSEPH MANIACI	
(cashed at the CENTRE STAGE Dinner Playhouse)			
193	1-28-73	R[redacted]	
(cashed at the CENTRE STAGE Dinner Playhouse)			
178	1-28-73	B[redacted]	
(cashed at the CENTRE STAGE Dinner Playhouse)			
181	1-28-73	H[redacted]	
191	1-28-73	E[redacted]	
233	2-04-73	S[redacted]	
239	2-04-73	D[redacted]	
[redacted])			
197	1-28-73	J[redacted]	
210	1-28-73	L[redacted]	
203	1-28-73	J[redacted]	
175	1-28-73	A[redacted]	
195	1-28-73	R[redacted]	
213	2-02-73	WVTV Channel 18	
(Certified Check Memo [redacted])			
196	1-28-73	R[redacted]	
180	1-28-73	C[redacted]	
188	1-28-73	M[redacted]	
176	1-28-73	R[redacted]	
182	1-28-73	C[redacted]	
184	1-28-73	K[redacted]	

Check No.	Date	Payee	Amount
185	1-28-73	R[redacted] S[redacted]	$ [redacted]
186	1-28-73	R[redacted] T[redacted]	

Deposits

Check No.	Date	Included in Deposit	Amount
------	2-27-73	Check	[redacted]
------	2-21-73	Checks (13)	
------	2-21-73	Checks (4)	
------	2-16-73	Checks (40)	
------	2-19-73	Checks (24)	
------	2-14-73	Checks (22)	
------	2-12-73	Check	
------	2-12-73	Checks (25)	
------	2-07-73	Checks (25)	
------	2-05-73	Checks (8)	
------	2-05-73	Checks (23)	
------	2-01-73	Checks (11)	
------	1-30-73	Checks (27)	

Balance February 28, 1973: [redacted]
Credits During March 1973:
Debits During March 1973:
Service Charge
Balance March 30, 1973:

Check No.	Date	Payee	Amount
301	2-25-73	K[redacted]	[redacted]
303	2-25-73	C[redacted] J[redacted]	
323	2-25-73	R[redacted] T[redacted]	
201	2-11-73	P[redacted] M[redacted]	
266	2-25-73	S[redacted] S[redacted]	
263	2-18-73	M[redacted] K[redacted]	

Check No.	Date	Payee	Amount
288	2-25-73	S[redacted] S[redacted]	[redacted]
311	2-25-73	R[redacted] B[redacted]	
313	2-25-73	R[redacted] B[redacted]	
317	2-25-73	A[redacted] S[redacted]	
259	2-18-73	A[redacted] S[redacted]	
(T[redacted] S[redacted] pay to order of R[redacted] P[redacted])			
316	2-25-73	L[redacted] B[redacted]	
233	2-18-73	W[redacted] N[redacted]	
236	2-18-73	C[redacted] E[redacted]	
264	2-18-73	P[redacted] M[redacted]	
300	2-25-73	J[redacted] L[redacted]	
318	2-25-73	M[redacted] F[redacted]	
324	2-23-73	ChanHASSEN Dinner Theatre, Inc.	
298	2-25-73	B[redacted] E[redacted]	
([redacted])			
305	2-25-73	E[redacted]	
346	3-04-73	J[redacted] S[redacted]	
292	2-25-73	R[redacted] S[redacted]	
([redacted], Pewaukee)			
349	3-04-73	R[redacted] S[redacted]	
343	3-04-73	S[redacted] S[redacted]	
294	2-25-73	D[redacted] G[redacted]	
348	3-04-73	D[redacted] S[redacted]	
293	2-25-73	W[redacted] N[redacted]	
314	2-25-73	J[redacted] M[redacted]	
321	2-25-73	M[redacted] K[redacted]	
347	3-04-73	V[redacted] R[redacted]	
322	2-25-73	C[redacted] C[redacted]	
261	2-18-73	S[redacted] G[redacted]	
299	2-25-73	M[redacted] M[redacted]	
344	3-04-73	D[redacted] S[redacted]	
315	2-25-73	C[redacted] L[redacted]	
242	2-18-73	J[redacted] L[redacted]	
319	2-25-73	S[redacted] G[redacted]	
232	2-18-73	I[redacted] J[redacted]	
239	2-18-73	B[redacted] E[redacted]	
289	2-25-73	J[redacted] S[redacted]	
240	2-18-73	M[redacted] M[redacted]	
291	2-25-73	D[redacted] S[redacted]	
296	2-25-73	R[redacted] B[redacted]	
304	2-25-73	H[redacted] G[redacted]	

Check No.	Date	Payee	Amount
297	2-25-73	J[redacted] O[redacted]	[redacted]
254	2-18-73	J[redacted] M[redacted]	
236	2-18-73	C[redacted] [redacted]	
233	2-18-73	W[redacted] N[redacted]	
316	2-25-73	I[redacted] [redacted]	
259	2-18-73	A[redacted] S[redacted]	
313	2-25-73	R[redacted] B[redacted]	
317	2-25-73	A[redacted] S[redacted]	
311	2-25-73	R[redacted] B[redacted]	
288	2-25-73	S[redacted] S[redacted]	
263	2-18-73	M[redacted] K[redacted]	
201	2-11-73	P[redacted] M[redacted]	
266	2-25-73	S[redacted] S[redacted]	
323	2-25-73	R[redacted] T[redacted]	
301	2-25-73	K[redacted] S[redacted]	
303	2-25-73	C[redacted] [redacted]	
506	3-29-73	K[redacted] S[redacted]	
265	2-18-73	D[redacted] R[redacted]	
332	3-24-73	H[redacted] G[redacted]	
345	3-04-73	M[redacted] W[redacted]	
326	3-04-73	M[redacted] M[redacted]	
234	2-18-73	T[redacted] B[redacted]	
323	3-04-73	R[redacted] B[redacted]	
331	3-04-73	C[redacted] J[redacted]	
334	3-04-73	R[redacted] T[redacted]	
345	3-04-73	S[redacted] [redacted]	
376	3-11-73	D[redacted] S[redacted]	
325	3-12-73	B[redacted] E[redacted]	
328	3-04-73	J[redacted] I[redacted]	
340	3-04-73	S[redacted] G[redacted]	
(G[redacted]	A[redacted],	[redacted] Milwaukee)	
330	3-04-73	[redacted] R[redacted]	
302	2-25-73	R[redacted] [redacted]	
329	3-04-73	K[redacted] S[redacted]	
336	3-04-73	C[redacted] I[redacted]	
350	3-04-73	R[redacted] B[redacted]	
349	3-04-73	R[redacted] [redacted]	
335	3-04-73	J[redacted] M[redacted]	
508	3-25-73	H[redacted] G[redacted]	
501	3-25-73	J[redacted] O[redacted]	

Check No.	Date	Payee	Amount
505	3-25-73	J[redacted]	[redacted]
522	3-25-73	R[redacted]	
324	3-04-73	J[redacted]	
333	3-04-73	C[redacted]	
322	3-04-73	D[redacted]	
343	3-04-73	E[redacted]	
490	3-25-73	D[redacted]	
438	3-18-73	I[redacted]	
437	3-18-73	W[redacted]	
373	3-11-73	V[redacted]	
321	3-04-73	W[redacted]	
338	3-04-73	A[redacted]	
371	3-11-73	S[redacted]	
327	3-04-73	T[redacted]	
374	3-11-73	D[redacted]	
295	2-25-73	C[redacted]	
375	3-11-73	R[redacted]	
377	3-11-73	S[redacted]	
372	3-11-73	J[redacted]	
382	3-11-73	R[redacted]	
369	3-11-73	M[redacted]	
342	3-04-73	M[redacted]	
399	3-11-73	R[redacted]	
400	3-11-73	R[redacted]	
387	3-11-73	J[redacted]	
403	3-11-73	L[redacted]	
402	3-11-73	C[redacted]	
429	3-18-73	J[redacted]	
383	3-11-73	J[redacted]	
392	3-11-73	R[redacted]	
391	3-11-73	C[redacted]	
388	3-11-73	K[redacted]	
439	3-18-73	D[redacted]	
468	3-18-73	M[redacted]	
456	3-18-73	F[redacted]	
494	3-25-73	S[redacted]	
337	3-04-73	L[redacted]	
309	2-25-73	E[redacted]	
347	3-04-73	E[redacted]	
351	3-06-73	W[redacted] INC.	
(Certified Check Memo [redacted]			

Check No.	Date	Payee	Amount
352	3-06-73	W[redacted] A[redacted] AGENCY, INC.	[redacted]
(Pay to the order of The Chase Manhattan Bank W[redacted] A[redacted] INC.)			
489	3-25-73	V[redacted]	[redacted]
466	3-18-73	S[redacted] G[redacted]	[redacted]
495	3-25-73	[redacted] S[redacted]	[redacted]
467	3-18-73	R[redacted] N[redacted]	[redacted]
[redacted]			
447	3-18-73	M[redacted] W[redacted]	[redacted]
455	3-18-73	D[redacted] R[redacted]	[redacted]
488	3-25-73	J[redacted] S[redacted]	[redacted]
435	3-18-73	T[redacted] B[redacted]	[redacted]
[redacted]			
442	3-18-73	B[redacted] F[redacted]	[redacted]
449	3-18-73	E[redacted] R[redacted]	[redacted]
492	3-25-73	D[redacted] S[redacted]	[redacted]
465	3-18-73	R[redacted] T[redacted]	[redacted]
454	3-18-73	M[redacted] K[redacted]	[redacted]
458	3-18-73	C[redacted] L[redacted]	[redacted]
457	3-18-73	J[redacted] M[redacted]	[redacted]
461	3-18-73	K[redacted] S[redacted]	[redacted]
452	3-18-73	R[redacted] B[redacted]	[redacted]
443	3-18-73	M[redacted] M[redacted]	[redacted]
460	3-18-73	J[redacted] L[redacted]	[redacted]
440	3-18-73	R[redacted] B[redacted]	[redacted]
413	3-18-73	H[redacted] [redacted]	[redacted]
451	3-18-73	R[redacted] E[redacted]	[redacted]
380	3-11-73	W[redacted] N[redacted]	[redacted]
462	3-18-73	R[redacted] R[redacted]	[redacted]
464	3-18-73	C[redacted] C[redacted]	[redacted]
441	3-18-73	J[redacted] C[redacted]	[redacted]
463	3-18-73	[redacted] G[redacted]	[redacted]
341	3-04-73	F[redacted] K[redacted]	[redacted]
453	3-18-73	F[redacted] K[redacted]	[redacted]
428	3-18-73	S[redacted] S[redacted]	[redacted]
407	3-11-73	F[redacted] K[redacted]	[redacted]
320	2-25-73	F[redacted] K[redacted]	[redacted]
384	3-11-73	B[redacted] E[redacted]	[redacted]
431	3-18-73	D[redacted] S[redacted]	[redacted]
404	3-11-73	A[redacted] S[redacted]	[redacted]
378	3-11-73	T[redacted] B[redacted]	[redacted]

Check No.	Date	Payee	Amount
354	3-20-73	Wisconsin Department of Revenue	[redacted]
(Certified	Check Memo	[redacted]	
390	3-11-73	H[redacted]	
393	3-11-73	E[redacted] G[redacted]	
204	2-11-73	EDISON LIQUOR CORPORATION	
406	3-11-73	S[redacted] G[redacted]	
430	3-18-73	V[redacted] R[redacted]	
397	3-11-73	E[redacted] R[redacted]	
381	3-11-73	D[redacted] G[redacted]	
432	3-18-73	R[redacted] S[redacted] I	
434	3-18-73	S[redacted] S[redacted]	
408	3-11-73	M[redacted] K[redacted]	
401	3-11-73	J[redacted] M[redacted]	
409	3-11-73	R[redacted] N[redacted]	
385	3-11-73	M[redacted] M[redacted]	
395	3-11-73	M[redacted] W[redacted]	
370	3-11-73	H[redacted] D[redacted]	
389	3-11-73	R[redacted] R[redacted]	
433	3-18-73	D[redacted] S[redacted]	
405	3-11-73	M[redacted] F[redacted]	
339	3-04-73	M[redacted] F[redacted]	

Deposits

Check No.	Date	Included in Deposits	Amount
------	3-27-73	Checks (13)	[redacted]
------	2-28-73	Checks (14)	
------	3-08-73	Checks (10)	
------	3-09-73	Checks (17)	
------	3-09-73	Check	
------	3-12-73	Checks (5)	
------	3-01-73	Checks (21)	
------	3-02-73	Checks (15)	
------	3-02-73	Checks (11)	
------	3-07-73	Checks (18)	
------	2-28-73	Checks (14)	
	3-13-73	P. P. WILSON	[redacted]
		P[redacted]	
		W[redacted]	

Check No.	Date	Included in Deposits	Amount
		ORT [redacted]	[redacted]
		B[redacted]	
------	3-23-73	Checks (25)	
------	3-25-73	Checks (20)	
------	3-21-73	Checks (15)	
------	3-20-73	Checks (2)	
------	3-15-73	Checks (26)	
------	3-16-73	Check	
------	3-17-73	Checks (12)	

WISCONSIN DEPARTMENT OF JUSTICE
CRIMINAL DIVISION

Playhouse Closed By IRS

The Centre Stage Dinner Playhouse, 621 N. 2nd St., was closed Monday by the Internal Revenue Service (IRS) for non-payment of federal taxes.

The IRS filed tax liens totaling $33,238 against Peter Balistrieri, operator of the combination bar, restaurant and theater.

Peter Balistrieri is a brother of Frank P. Balistrieri, Milwaukee nightclub operator.

The liens were for $31,158 in employe withholding taxes allegedly owed for the quarter ending last December 31; $99 in withholding taxes for the quarter ending last September 30 and $1,981 in unemployment taxes for the period ending December 31.

The playhouse, which was featuring "A Funny Thing Happened On the Way to the Forum," does not open on Monday nights."

RECEIVED

MAY 1 1973

DCI	-	CIIC	

Comments:

Date: April 29, 1973
Publication: Milwaukee Sentinel

	O.C.	NARC.	GEN.	SPEC.
Coordination:	X			

Submitting Unit: Milw. Office

CIIC File #:	OC	4	65	A

CASE ACTIVITY REPORT
DJ-DCI-25

WISCONSIN DEPARTMENT OF JUSTICE
Division of Criminal Investigation — Operations
123 W. Washington Ave.
Madison, Wisconsin 53703

Date: May 4, 1973

Case No.: OC-4

INVESTIGATORS: Special Agent Walter A. Younk

SUBJECT OF INVESTIGATION: CENTRE STAGE DINNER PLAYHOUSE, 624 North 2nd Street, Milwaukee

Internal Revenue Service agents closed the CENTRE STAGE on April 23, 1973, after filing tax liens totaling [redacted] against PETER BALISTRIERI, operator, for non-payment of withholding and unemployment taxes. The place reopened the following night, April 24, 1973, after satisfaction of the liens was made.

On May 3, 1973, IRS Agent FRED STIEBER was contacted to determine how these liens were satisfied and he revealed that payment in full was made on April 24, 1973, with four cashier's checks, all dated that same day. A breakdown of the checks follows:

1. $15,000, drawn on the Heritage Bank of Milwaukee (investigation by IRS agents revealed this amount represented a $15,000 loan obtained by JENNIE ALIOTO at Heritage.)

2. $8,500, purchased at Heritage Bank (by JENNIE ALIOTO).

3. $7,000, purchased at First National Bank of Glendale (by BENEDETTA BALISTRIERI, FRANK'S mother, who has an account at that bank).

4. $3,000, purchased at Midland National Bank (by woman who fits description of JENNIE ALIOTO).

LEAD: Obtain information on JENNIE'S loan from Heritage Bank. (Request forwarded to DONALD MURPHY, State Revenue Intelligence agent, by Assistant Director KRUSCHE on 5-3-73.)

WAY:so

RECEIVED
MAY 11 1973
DCI · CIIC

OC-4-68

CASE ACTIVITY REPORT
DJ-DCI-2 (Rev. 4/74)

Wisconsin Department of Justice
DIVISION OF CRIMINAL INVESTIGATION

1. Case Number	2. Date	3. Case Title
OC-9	7-29-75	PETER BALISTRIERI, d/b/a CENTRE STAGE DINNER PLAYHOUSE

4. Activity	5. Date of Activity
Review of Civil Suits Filed Against CENTRE STAGE and PETER BALISTRIERI	July 21, 1975

6.

On July 21, 1975, Research Analyst PATRICK RIOPELLE went to the Milwaukee County Clerk's Office to obtain any information on civil suits in county and circuit court pending or completed against either PETER BALISTRIERI or the CENTRE STAGE DINNER PLAYHOUSE. The following cases were found and are summarized as follows:

File Number	Summary
C80633	BADGER STATE PRINTING, INC. vs PETER BALISTRIERI, JENNIE ALIOTO, d/b/a CENTRE STAGE DINNER PLAYHOUSE. Attorney R. W. KOHN counsel for the plantiff filed suit on May 22, 1974, against the CENTRE STAGE THEATER asking for $634.89 for unpaid advertising accounts, plus court costs. JOHN BALISTRIERI was the attorney for the defense. According to court records, the suit was settled on December 10, 1974, in the amount of $300.00 for the plantiff, (BADGER STATE PRINTING, INC.).
C83158	J[redacted] C[redacted], d/b/a CATALANO CO. vs. PETER BALISTRIERI, d/b/a THE CENTRE STAGE DINNER PLAYHOUSE. Attorney BARNETT W. FRANKS acting as legal counsel for the C[redacted] business (fruits and vegetables) sued CENTRE STAGE for $1,644.75 on August 1, 1974, claiming unpaid bills of same amount. JOSEPH BALISTRIERI was the attorney for the defendant. On October 15, 1974, the suit was dismissed, without explanation, at the specific order of Judge DAVID JENNINGS.
C71465	BRENNAN & MORISSEY & ASSOCIATES vs. PETER BALISTRIERI, d/b/a CENTRE STAGE DINNNER PLAYHOUSE. Attorney PAUL SCHEMER of SCHEMER & SCHEMER filed suit on June 28, 1974, asking for $862.57 plus costs on unpaid advertising account. Attorney JOHN BALISTRIERI represented the CENTRE STAGE. On November 21, 1974, the court granted judgment of $736.90 to BRENNAN & MORISSEY. As of this date, the amount has not been paid and is accumulating interest at 7% per annum.
C74-640	LAVERN & BEULAH HUNSTSINGER, d/b/a HUNT-VERN STAGE EQUIPMENT CO. vs. PETER BALISTRIERI, d/b/a CENTRE STAGE DINNER PLAYHOUSE. Attorney JOSEPH L. SHUTKIN acting as legal representative for HUNT-VERN STAGE

7. Agents
Patrick Riopelle, Research Analyst

RECEIVED AUG - 4 1975

This document contains neither recommendations nor conclusions of the Division of Criminal Investigation, Wisconsin Department of Justice. It is the property of this Division and is loaned to your agency. Its contents are not to be distributed outside your

OC-4-84

File Number	Summary
	EQUIPMENT CO. filed suit on November 23, 1973, asking for $3,300.00 in unpaid bills for stage equipment used at the CENTRE STAGE. Attorney JOSEPH BALISTRIERI represented the defendants. Briefs were filed on behalf of both partners and a settlement, with prejudice, was agreed on for the sum of $1,500.00 on February 24, 1975.
C67973	DAVE MILLER CUSTOM SHOP, INC., vs. JENNIE ALIOTO, PETER BALISTRIERI, d/b/a CENTRE STAGE DINNER PLAYHOUSE. Attorney EMANUEL ROTTER acting in his capacity as legal representative for DAVE MILLER CUSTOM SHOP, INC., filed suit in County Court asking for $622.35 for recovery of sole and rental of theatrical costumes. Suit was filed on January 7, 1974. Suit is still not settled. JOSEPH BALISTRIERI is the attorney for the defendants.

The records in Circuit Court indicate the following legal actions taken on the part of PETER BALISTRIERI.

File Number	Summary
411418	PETER BALISTRIERI vs. ACTORS EQUITY ASSOCIATION. JOSEPH BALISTRIERI acting as legal representative for PETER BALISTRIERI asked for $10,000.00 against the ACTORS EQUITY ASSOCIATION for a breach of contract. Suit filed on July 3, 1973. Attorneys PODELL and UGENT represented defendants. Suit was dismissed on October 26, 1973, after the ACTORS EQUITY ASSOCIATION filed a counter suit against PETER BALISTRIERI.
404465	PETER BALISTRIERI vs. JAMES REHRAUER and CLASSIFIED INSURANCE CORPORATION vs. FRANK BALISTRIERI. Suit was filed on November 11, 1969, by PETER BALISTRIERI'S attorney, JOSEPH BALISTRIERI, asking for $25,000.00 as a result of a traffic accident involving a car driven by FRANK BALISTRIERI and PETER BALISTRIERI as an occupant, and a car drive by J[redacted] R[redacted] After JOSEPH BALISTRIERI filed suit, Attorneys SIMARSKI, GOODRICH, BRENNAN AND STACK filed a counter suit against FRANK BALISTRIERI claiming he was negligent as the driver of one of the vehicles involved in the traffic accident. Motions were sent to the court on January 6, 1975, that both parties were ready for trial, but on May 25, 1975, case was dismissed without prejudice.

NOTE: It is also interesting to note that four cases involving civil suits against PETER BALISTRIERI and the CENTRE STAGE DINNER

PLAYHOUSE were completely absent from the record files of the County Court. There was no indication that they were signed out or accounted for in some way. As a matter of future reference, the title numbers are: (C74-125), (C65-905), (C75-426) and (C91-302).

PR:kj

WISCONSIN DEPARTMENT OF JUSTICE
CRIMINAL DIVISION

Defunct Nightclub Fined in Beer Sale

Ben-Kay Inc., the corporation that ran the Downtowner nightclub, was fined a total of $1,750 Wednesday by Reserve County Judge Edward G. Minor for violating laws governing beer purchases.

The Downtowner, which was at 340 W. Wells St., has been torn down. The incorporator of Ben-Kay was Frank P. Balistrieri, who has been associated with several downtown night spots.

The district attorney's office and Joseph P. Balistrieri, son of Frank and attorney for Ben-Kay, worked out the following agreement, which was approved by Judge Minor:

- The corporation pleaded no contest to seven counts of receiving beer while in debt more than 15 days for previous purchases. Minor assessed a fine of $250 on each count.
- Six similar counts were dismissed. Also dismissed were one count of receiving liquor while in debt to a wholesaler more than 30 days, and one of failing to report on a tavern license application an indebtedness of more than 15 days to a brewery.

The fines involved incidents that occurred in 1968.

RECEIVED

MAR 27 1973

DCI			CIIC

Comments:

Date: March 22, 1973
Publication: Milwaukee Sentinel

	O.C.	NARC.	GEN.	SPEC.
Coordination:				

Submitting Unit: Milwaukee Office

CIIC File #:	OC	5	2	

ROGRESS SUMMARY REPORT
J-DCI-26

\ CONSIN DEPARTMENT OF JUSTICE
Division of Criminal Investigation – Operations
123 W. Washington Ave.
Madison, Wisconsin 53703

Date: November 15, 1973
Case No.: OC-5

SUBMITTED BY INVESTIGATORS Special Agent Walter A. Younk

SUBJECT OF INVESTIGATION BEN-KAY, INC., d/b/a THE DOWNTOWNER
340 West Wells Street, Milwaukee, Wisconsin
Address

LICENSEE ☐

VIOLATION FOUND ☐

TYPE OF LICENSE

TYPE OF VIOLATION

WIS. STATS

WARRANT REQUESTED ☐

THE DOWNTOWNER, a nightclub formerly owned by FRANK P. BALISTRIERI, was torn down several years ago when the land was sold to the City of Milwaukee by W[redacted] I[redacted].

In March, 1973, BEN-KAY was fined $1,750 for violations of the beer credit laws. As of this date, the fine has not been paid and the Milwaukee County District Attorney's Office has initiated action for collection under Ch. 973.17(3), Wisconsin Statutes.

Recommend this case be considered closed.

WAY:kmj

RECEIVED
NOV 23 1973
DCI

OC-5-7

OFFICE INFORMATION MEMO

FORM AD-2

TO: File

Date 9/29/71 Time

FROM: Janet

Of CIIC

TELEPHONE: Area Code & Number | Ext. | Received By

- [ ] PLEASE CALL
- [ ] WILL CALL AGAIN
- [ ] RETURNING YOUR CALL
- [ ] CALLED TO SEE YOU

PLEASE:

- [ ] COMMENT
- [ ] NOTE
- [ ] SEE ME
- [ ] INVESTIGATE
- [ ] TAKE NECESSARY ACTION
- [ ] APPROVE
- [ ] SIGN
- [ ] REVISE
- [ ] PREPARE REPLY FOR MY SIGNATURE
- [ ] REPLY DIRECTLY
- [ ] ROUTE TO:

AND:

- [ ] RETURN
- [ ] FILE

REMARKS /MESSAGES

Mr. Krusche looked this over in Agnes' presence -- but did not initial it.

DUPLICATING:

_____ NO. OF COPIES

TYPING:

_____ DATE NEEDED

- [ ] SINGLE SPACE
- [ ] FINAL COPY
- [ ] ROUGH DRAFT
- [ ] DOUBLE SPACE
- [ ] CARBONS _____

September 24, 197

OC-1; OC-19;
and 10-6

Assistant Director Herbert Krusche and Assistant Attorney General
Leroy Dalton

Interview - SALLY PAPIA re: FRANK BALISTRIERI -
[redacted] M[redacted] - [redacted] S[redacted]

On several occasions while Assistant Director KRUSCHE was having lunch at SALLY'S STEAK HOUSE, SALLY PAPIA requested that Assistant Director KRUSCHE bring Assistant Attorney General LEROY DALTON to see her at her restaurant, "SALLY'S STEAK HOUSE." She said that she wanted to congratulate DALTON for winning his lawsuit against H[redacted] M[redacted] and give him some information that might be useful to him. She said that DALTON had talked to her about M[redacted] several years ago and that she was willing to help to "fix M[redacted]'S wagon" any way she could.

DALTON was in Milwaukee on September 7, 1971 on a case so Assistant Director KRUSCHE asked DALTON if he wanted to have dinner at SALLY'S and see what she wanted to talk about. KRUSCHE and DALTON went to SALLY'S STEAK HOUSE at about 6:15 p.m. on Tuesday, September 7, 1971. SALLY was present and sat with DALTON and KRUSCHE until about 9:15 p.m., discussing M[redacted], E[redacted] S[redacted], FRANK BALISTRIERI, and FRANK BUCCIERI. The following are some of the more important statements made by SALLY during this meeting.

SALLY advised that she dislikes H[redacted] M[redacted] very much primarily because she had lent him $25,000.00 and he refused to pay her back. SALLY said that she was engaged in a romantic relationship with M[redacted] for about a year prior to DALTON starting his lawsuit. She said that she felt justified in dating M[redacted] even though he was married, because he had left home. SALLY said that FRANK BALISTRIERI was her godfather and that BALISTRIERI did not like M[redacted]. SALLY said that she had talked to BALISTRIERI and asked him to accept M[redacted] because he may be part of the family at some future date. SALLY said that it was at about this time (about three years ago) that M[redacted] started to be very friendly with FRANK BALISTRIERI. SALLY said that she does not believe that M[redacted] was really serious about her and that the only reason he wanted to go with her was so that he could get close to FRANK BALISTRIERI so that various Teamster Union funds could be put into M[redacted]'S bank. When Assistant Director KRUSCHE asked SALLY what control FRANK BALISTRIERI had over union funds, she replied, "You know my godfather has friends in the Teamster Union." SALLY advised that just after the case in Madison was dismissed against M[redacted], he started a very vicious campaign to get LEROY DALTON thrown out of the Attorney Generals Office.

RECEIVED
SEP 29 1971
DCI - CIIC

(original initialed by Krusche)

OC-6-7

She said that M[redacted] had hired some private investigators to try to get something on DALTON and Judge TORPHY of Madison. She said that M[redacted] kept bragging that he would get DALTON if it was the last thing he ever did. SALLY said that E[redacted] S[redacted] is a cousin to H[redacted] M[redacted]. She said that S[redacted] operates a barber shop somewhere on the north side of Milwaukee and that he also has prostitutes working for him. She said that whenever H[redacted] M[redacted] on a public official, S[redacted] would get the girls for the party and then pictures were taken of the girls with various officials and M[redacted] had them under his thumb. SALLY said that after a recent burglary of her residence all her jewelry turned up as being fenced through E[redacted] S[redacted]. She said that she has received most of the jewelry back again and said that it came from the Milwaukee Police Department who had recovered it. When asked about FRANK BUCCIERI, SALLY stated that she has broken up with BUCCIERI and that she had never married him. SALLY said that, "The boys in Chicago said we were married so I just went along with it." SALLY said that she can not understand why law enforcement people were always able to arrest her uncle, JOHN PISCUINE, for commercial gambling when he only took small bets. She said that H[redacted] M[redacted] used to place bets as high as $2,000.00 at a time. SALLY said that the "Jews are worse than the Dagos any time." SALLY said that M[redacted] has only a very few friends left in Milwaukee because he has cheated most of the people that trusted him. SALLY said that M[redacted] is very friendly with the FAZIOS, primarily LOUIE FAZIO. She said that M[redacted] has been trying to get the FAZIOS to open an illegal gambling operation in Hawaii.

SALLY said that FRANK BALISTRIERI was looking very well during his stay in Sandstone Prison and that the rest would do him good. She said that everyone around him was hoping that they would put him away for a little while. SALLY said that his family and herself had asked him to close up all his taverns so that there would be no more heat on him. SALLY also mentioned the fact that N[redacted] S[redacted] had worked for "her godfather", at THE KINGS IV and had stolen a lot of things from there. She said that S[redacted] now operates a restaurant on Brady Street in Milwaukee, but it is a "garbage hut."

SALLY PAPIA advised that if she received any information relating to E[redacted] S[redacted], and his fencing of stolen goods, or engaging in pandering, she would call Assistant Director KRUSCHE.

HLK:ms

WISCONSIN DEPARTMENT OF JUSTICE
CRIMINAL DIVISION

US Jury Indicts Balistrieri, Son

11-9-71

By John G. Shaver
of The Journal Staff

Former Milwaukee nightclub operator Frank P. Balistrieri, his son, Atty. Joseph P., and four other persons were named in a 10 count criminal indictment handed down Tuesday by a federal grand jury here.

The indictment charged the six with conspiracy to conceal the true ownership of the King's IV, a night spot at 720 N. Water St. The indictment alleged that as part of the conspiracy, the younger Balistrieri covered up his father's interest in the night spot.

According to the indictment, the nightclub was listed falsely as operated by Angelo DiGiorgio, 34, of 1821 N. Marshall St., and later by Peter Gaudesi, 40, whose last known address was 3210 W. Wells St.

DiGiorgio and Gaudesi were named defendants in the indictment along with Miss Jennie Alioto, 45, a bookkeeper for enterprises linked to Balistrieri, and Miss Susan Bartfield, 31, identified as a Teamster Union employe here.

The indictment alleged that the conspiracy to conceal Frank Balistrieri's illegal ownership in the nightspot occurred from June, 1967, to the present. The indictment al-

Turn to Balistrieri, page 12, col. 4

Balistrieri

From page 1

leged that, as part of the conspiracy, the defendants made false statements on US Treasury Department forms required to be filed by retail liquor businesses.

The defendants also were accused of conspiring to file false income tax returns in connection with the operation of the King's IV in 1969 and 1970.

The indictment alleged that Miss Alioto kept books for the King's IV and that Miss Bartfield acted as a manager and hostess at the nightspot.

DiGiorgio was accused in two counts of falsely claiming on 1969 and 1970 income tax returns that he operated a supper club under the name of the King's IV when he did not.

Two other counts alleged that DiGiorgio filed false tax forms required for retail liquor establishments in connection with the King's IV for 1969 and 1970.

The counts alleged that DiGiorgio claimed to have been the owner of the nightspot when he was not.

A sixth count of the indictment accused Gaudesi of filing a false special Treasury Department tax form in 1970 claiming to be the owner of the King's IV when he was not. He was also accused of filing a false 1970 income tax return.

The remaining counts charged Frank Balistrieri with failing to file 1969, 1970 and 1971 special tax forms with the Treasury Department in connection with operation of the retail liquor business.

RECEIVED
NOV 19 1971

DCI		CIIC	

Comments:

Date:
Publication:

	O.C.	NARC.	GEN.	SPEC.
Coordination:			C	

Submitting Unit:
CIIC File #: OC 6

OC-6-15

WISCONSIN DEPARTMENT OF JUSTICE
CRIMINAL DIVISION

Frank Balistrieri, 5 Others Indicted

Four associates of Frank P. Balistrieri, including his son Atty. Joseph P. Balistrieri, appeared before Federal Judge John W. Reynolds Tuesday following their indictment by a federal grand jury.

The 10 count indictment also named Frank Balistrieri, now serving a federal prison term, and another Balistrieri associate who, authorities said, could not be found Tuesday.

The indictment cites various charges including concealed ownership of the Kings IV nightclub, false federal tax statements and conspiracy.

Now in Prison

Frank Balistrieri, who was described in a Justice Department announcement Tuesday as "the alleged head of the organized crime family in Milwaukee," is serving the prison term for federal income tax evasion.

Those indicted were:

- Frank Balistrieri, 53, whose home address is 3043 N. Shepard Ave.
- Joseph P. Balistrieri, 31, an attorney and a court commissioner for Circuit Judge Hugh R. O'Connell. Balistrieri listed his address as that of his office, 211 W. Wisconsin Ave.
- Miss Jennie Alioto, 45, a bookkeeper, 2440 N. Dousman St.
- Angelo Di Giorgio, 34, who said he was unemployed, of 1821 N. Marshall St.
- Peter Gaudesi, 41, a tavernkeeper, of 7903 W. Stevenson St.
- Miss Susan Bartfield, 31, of 2035 N. Lake Dr., who was described in the indictment as former manager and hostess at Kings IV and a Teamsters Union employe since June.

US Atty. Gen. John N. Mitchell, in a statement released in Washington, said the indictment was the result of co-ordinated efforts of the federal Organized Crime Strike Force in Chicago.

Mitchell said that Wisconsin Atty. Gen. Robert W. Warren and the organized crime section of the State Department of Justice's Division of Criminal Investigation were involved in the investigation along with federal agents from Milwaukee and Chicago.

The federal agencies involved were the Treasury Department's Alcohol, Tobacco and Firearms Division and the Intelligence Division of the Internal Revenue Service.

Joseph Balistrieri, Miss Alioto, Di Giorgio and Gaudesi appeared before Reynolds after being arrested by Treasury agents.

All Released

They were released on their own $2,500 each signature bond. No date has been set for entering of pleas.

Miss Bartfield could not be located Tuesday, the federal agents said. Frank Balistrieri will be served with a copy of the indictment in the Federal Prison at Sandstone, Minn., where he is serving his sentence.

The government had asked that cash bond be set for the defendants. Citing other pend-

Turn to Page 9, Col. 1

RECEIVED
NOV 19 1971

DCI		CIIC	

Comments: _____

Date: [illegible]
Publication: [illegible]

	O.C.	NARC.	GEN.	SPEC.
Coordination:	[illegible]		C	
Submitting Unit:			OC-6-16	
CIIC File #:	OC-6			

BALISTRIERI

Bank Loan Negotiations Described

Continued From Page 1

ing charges involving Di Giorgio, Atty Michael King of the Justice Department Organized Crime Strike Force in Chicago, asked the court to set a bond of 10% of $10,000 for Di Giorgio.

King asked for a $2,500 cash bond for each of the others. Reynolds denied his requests.

At the appearance before Reynolds, Atty. Dominic H. Frinzi represented the four defendants.

Frinzi said the indictment was "an attempt to humiliate" Joseph Balistrieri and cause him embarrassment.

There was only one mention of Joseph Balistrieri in the entire 14 page indictment, Frinz said. He said the indictment "would stifle the good qualities performed for the community of a budding attorney."

Reynolds granted Joseph Balistrieri's request for permission to travel outside the jurisdition of the court.

Reasons Cited

Frinzi told the court that Balistrieri represented a company with offices in different parts of the country. He said it would be difficult to take a plane to Reno or Honolulu and be granted court permission to travel on a moment's notice.

Di Giorgio Miss Bartfield

All six of the defendants were charged with conspiracy.

The indictment described the conspiracy as concealing the true ownership of Kings IV, at 720 N. Water St.

According to the indictment:

- Joseph Balistrieri, owner of the building at 720 N. Water St., falsely represented that Di Giorgio and Gaudesi were tenants of the premises, thereby concealing the interest in the business of his father, Frank.
- Miss Alioto was bookkeeper for the business, and Miss Bartfield was manager and hostess.
- Frank Balistrieri operated Kings IV from March 1, 1969, to about June 30, 1971, and failed to register with the secretary of the treasury in connection with retail liquor taxes.
- Di Giorgio, in his 1969 and 1970 federal income tax returns, falsely claimed he operated Kings IV.

In a special tax return, Form 11, under the penalties of perjury, Di Giorgio falsely claimed he was the owner of Kings IV.

- Gaudesi also falsely claimed on a similar tax return that he was the owner of Kings IV.

Maximum penalty upon conviction of filing a false document to conceal ownership is five years in prison and a $10,000 fine.

Di Giorgio and Gaudesi were charged with six counts of filing false tax documents. Maximum penalty upon conviction is three years in prison and a $5,000 fine on each count.

Frank Balistrieri was charged with three counts of failing to register his business with the Treasury Department. If convicted, he would face a maximum penalty of five years in prison and a $10,000 fine on each count.

The penalty for conviction on conspiracy is five years in prison and a $10,000 fine.

Miss Jennie Alioto entered the Federal Building Tuesday followed by a government agent. She was among six persons indicted for conspiracy to conceal the true ownership of the Kings IV night spot.

—Sentinel Photo

Atty. Joseph P. Balistrieri (center) covered his handcuffs with his coat Tuesday wher he was escorted by federal agents. Balistrieri, his father, Frank P., and four others were indicted by a federal grand jury.

—Sentinel Photo by Allan Y. Scott

WISCONSIN DEPARTMENT OF JUSTICE
CRIMINAL DIVISION

US Says Balistrieri Will Appear Here

US Atty. David J. Cannon said Wednesday that Frank P. Balistrieri, now serving a federal prison term, would be brought here in about three weeks for arraignment in connection with an indictment Tuesday.

Balistrieri, his lawyer son, Joseph P., and four Balistrieri associates were indicted by a grand jury on charges of conspiracy to conceal the true ownership of a downtown nightclub.

The 10 count indictment accused the defendants of conspiring to file false income tax

Di Giorgio *Miss Bartfield*

returns and special tax statements in the operation of the Kings IV, a night spot at 720 N. Water St.

Balistrieri, a 53 year old former nightclub operator, has been serving a year and a day sentence in Sandstone (Minn.) Federal Prison for income tax evasion.

Special Order

Cannon said a special court order would be required to bring Balistrieri here for arraignment and entering a plea to the indictment in Federal Court.

An attorney for Joseph Balistrieri, 31, charged at a Federal Court hearing Tuesday, hours after the indictment was returned, that the government was attempting to humiliate "a young budding attorney."

Atty. Dominic Frinzi made the remark at a bail hearing before Federal Judge John W. Reynolds for Balistrieri and three other defendants.

Frinzi contended that Balistrieri was a respected lawyer and that the government was trying to embarrass him. He claimed that, if Joseph Balistrieri's name was anything other than Balistrieri, he would not have been charged.

Others Named

Balistrieri was appointed a court commissioner last March by Milwaukee Circuit Judge Hugh R. O'Connell.

Also named in the indictment Tuesday were Miss Jennie Alioto, 45, of 2440 N. Dousman St., a bookkeeper for Balistrieri interests; Angelo Di Giorgio, 34, of 1821 N. Marshall St., who said he was unemployed; Peter Gaudesi, 41, of 7503 W. Stevenson St., a tavernkeeper, and Miss Susan Bartfield, 31, of 2035 N. Lake Dr., a Teamsters Union employe.

Miss Bartfield could not be located by federal officials Tuesday and was not present at the bail hearing. She surrendered Wednesday morning, the US Marshal's office said.

Michael H. King, an attorney with the Chicago office of

Turn to Hearing, page 11, col. 6

RECEIVED
NOV 19 1971

DCI		CIIC	

Comments:

Date:
Publication:

	O.C.	NARC.	GEN.	SPEC.
Coordination:			C	

Submitting Unit: OC-6-17
CIIC File #: OC-6

WISCONSIN DEPARTMENT OF JUSTICE
CRIMINAL DIVISION

Balistrieri Case Hearing Nov. 22

Frank P. Balistrieri and five of his associates who were indicted by a federal grand jury Tuesday will appear Nov. 22 in the court of Federal Judge John W. Reynolds to enter their pleas.

The six were named in a 10 count indictment that accused them of conspiracy to conceal the true ownership of the Kings IV, a downtown nightclub.

In addition to Balistrieri, who is serving a federal prison term, those indicted were:

- Balistrieri's son, Joseph P., 31, an attorney and a court commissioner for Circuit Judge Hugh R. O'Connell. The younger Balistrieri listed his address as that of his office, 211 W. Wisconsin Ave.
- Miss Jennie Alioto, 44, a bookkeeper, of 2440 N. Dousman St.
- Angelo Di Giorgio, 34, unemployed, of 1821 N. Marshall St.
- Peter Gaudesi, 41, a tavernkeeper, of 7503 W. Stevenson St.
- Miss Sue Bartfield, 31, of 2035 N. Lake Dr., who was described in the indictment as former manager and hostess at Kings IV and a Teamsters Union employe since June.

With the exceptions of the elder Balistrieri, who is serving a year and a day sentence for income tax evasion at Sandstone (Minn.) Federal Prison,

Indictments end years of probing; Page 12.

and Miss Bartfield, who surrendered at the US marshal's office Wednesday, the other four were arrested by Treasury agents Tuesday.

Freed by Reynolds

Miss Bartfield appeared in Reynold's court Wednesday and was released on her own $2,500 signature bond.

She was represented by Atty. Roland J. Steinle, who asked that she be allowed to visit a relative in Chicago who is very ill.

Reynolds granted the request, but cautioned Miss Bartfield that the penalty for jumping bail is five years in prison and a $10,000 fine.

Miss Bartfield was on crutches during the court appearance. She said that she recently had surgery to remove cartilage from her left knee.

Conspiracy Charged

The indictment charged Miss Bartfield only with conspiracy to conceal ownership of the nightclub.

Other charges in the indictment involved conspiracy to file false income tax returns and special tax statements in the operation of the night spot.

The penalty for conviction on conspiracy is five years in prison and a $10,000 fine.

US Atty. David J. Cannon said that the elder Balistrieri would be brought to Milwaukee from the prison for the court appearance Nov. 22.

RECEIVED
NOV 19 1971

DCI		CIIC	

Comments:

Date:
Publication:

	O.C.	NARC.	GEN.	SPEC.
Coordination:			C	
Submitting Unit:				
CIIC File #:	OC-6			

OC-6-18

WISCONSIN DEPARTMENT OF JUSTICE
CRIMINAL DIVISION

Indictments End Years of Probing

The indictment this week of Frank P. Balistrieri and five of his associates marked the end of a long effort on the part of authorities to find a loose end that could be used to unravel the Milwaukee tavern operator's tangled affairs.

The indictment stabbed at the heart of Balistrieri's operations here — his alleged interests in a string of taverns that have opened and closed through the years.

For more than a decade, officials here have been concerned about the allegations that Balistrieri had financial interests in numerous taverns.

At times, his corporations, employes and business associates reportedly simultaneously held licenses for as many as seven taverns.

Ordinance Passed

In 1958, the concern about Balistrieri's tavern operations contributed to the passage of an ordinance prohibiting an individual from having an interest in more than two taverns.

Eleven years later, at the urging of Police Chief Harold A. Breier, the Common Council passed a stricter ordinance requiring corporations holding liquor and tavern licenses to list all their stockholders with the city clerk's office.

The indictment this week charged Balistrieri, 53, his son, Atty. Joseph P., and four associates with conspiracy to conceal the true ownership of the Kings IV, a downtown night spot.

1½ Year Probe

The charges came as a result of an investigation of more than 1½ years by the Chicago office of the Treasury Department's Alcohol, Tobacco and Firearms Division.

The probe was co-ordinated

BACKGROUND OF THE NEWS

by the Justice Department's Organized Crime Strike Force, with help from the Internal Revenue Service Intelligence Division and the Wisconsin Justice Department's Organized Crime Section.

Balistrieri is presently serving a year and a day sentence at Sandstone (Minn.) Federal Prison for income tax evasion.

Incarcerated in June

Balistrieri started serving a
Balistrieri started serving the
term on June 28.

He was convicted on March 23, 1967, in Federal District Court at Springfield, Ill. He was fined $10,000 and ordered to serve two concurrent two year prison terms.

On May 3, the US Supreme Court refused to hear Balistrieri's second appeal. His sentence was subsequently reduced by the court at Springfield.

Balistrieri has been identified on the floor of the US Senate by Sen. John McClellan (D-Ark.) as the head of one of the principal Mafia "families" in the country.

Findings in Report

In a 1970 report filed with the Federal Court in Los Angeles, Gerald F. Uelman, an assistant US attorney, said Balistrieri ". . . operates a string of six Milwaukee nightclubs, in most of which his interest is concealed by having the licenses held in the name of relatives and associates. . . ."

Uelman's report also said:

"Joseph Balistrieri is the 28 year old son of Frank Balistrieri, and has frequently been used as a 'cover' to conceal his

RECEIVED
NOV 19 1971
DCI CIIC

Comments:

Date:
Publication:

	O.C.	NARC.	GEN.	SPEC.
Coordination:				
Submitting Unit:				
CIIC File #:	OC-6			

OC-6-19

Balistrieri Here for Court Date

Frank P. Balistrieri has been brought to the Milwaukee area from the federal prison at Sandstone, Minn., for a court appearance Monday before Federal Judge John W. Reynolds.

Arraignment and entering of pleas is scheduled for Monday for Balistrieri and five others indicted last month by a federal grand jury on charges involving the Kings IV nightclub.

Balistrieri, who is confined at the Ozaukee County Jail in Port Washington, conferred Friday in the US marshal's office in Milwaukee with his lawyer, Roland Steinle Jr.

The 53 year old Balistrieri has been at Sandstone since June 28, serving a year and a day sentence for federal income tax evasion. He is not expected to be released before April 17, 1972, according to authorities.

The November indictment cites various charges including concealed ownership of the Kings IV, false federal tax statements and conspiracy. The Kings IV is located at 720 N. Water St.

Indicted along with Balistrieri, whose home address is 3043 N. Shepard Ave., were his son, Atty. Joseph P. Balistrieri, 31; Miss Jennie Alioto, 45, of 2440 N. Dousman St.; Angelo Di Giorgio, 34, of 1821 N. Marshall St.; Peter Gaudesi, 41, of 7503 W. Stevenson St., and Miss Susan Bartfield; 31, of 2035 N. Lake Dr.

RECEIVED
DEC 8 1971
DCI CIIC

Comments:

Date: 12-4-71
Publication: Milwaukee Sentinel

	O.C.	NARC.	GEN.	SPEC.
Coordination:			C	

Submitting Unit:

CIIC File #: OC-6

OC-6-72

Balistrieri Attorney Irate At Visitor Rule for Client

A disagreement over whom [illegible] Balistrieri can see while being held in jail touched off a noisy outburst Monday by Balistrieri's lawyer about an attorney for the US Justice Department.

After a bookkeeper was blocked from meeting with Balistrieri at the Ozaukee County Jail, Atty. Roland Steinle Jr. stormed into the US attorney's office here and vowed he would have Michael H. King disbarred.

Chicago Attorney

"He's a no good s.o.b.," Steinle shouted at US Atty. David Cannon.

"I'm going to have his li[illegible]" Steinle continued. "I'm going to see that his —is hung from the highest tree in the county."

As Steinle shouted, assistant US attorneys and office clerks began popping out of rooms to find out what the shouting was about.

King, of Chicago is an attorney with the Justice Department's strike force on organized crime. e was in Milwaukee Monday to represent the government at federal court proceedings involving Balistrieri and five other defendants.

Steinle's outburst occurred after Miss Jennie Alioto, 2440 N. Dousman Ave., told Steinle that Ozaukee County Jail officials told her that she could not meet with Balistrieri, Monday afternoon.

Say Promise Broken

Miss Alioto, 45, has been identified as a bookeeper for Balistrieri and has been charged in a grand jury indictment with conspiring to conceal the true ownership of Kings IV, a nightclub at 720 N. Water St.

Steinle contended that King broke a promise to permit Balistrieri to see visitors at the jail.

At a conference with Judge John W. Reynolds that followed the flareup, King first said he opposed Miss Alioto's visiting with Balistrieri at the jail unless attorneys were present. However, he later modified his position and said he would have "no objections" if Miss Alioto saw Balistrieri without attorneys being present.

Since June, Balistrieri, a Milwaukee nightclub operator, has been serving a term of a year and a day at the federal prison in Sandstone, Minn., on a conviction for income tax evasion.

Before the outburst in the US attorney's office, Balistrieri appeared in federal court for arraignment on various charges contained in an indictment, including false preparation of tax returns and involvement in the alleged conspiracy to hide the true ownership of the Kings IV.

Delayed by Judge

However, Reynolds postponed Balistrieri's arraignment until 9 a.m. Wednesday after Steinle complained in court that he had not had a chance to meet with Balistrieri privately.

Steinle argued that when he attempted to consult with Balistrieri at Sandstone, he and his client were ushered into a room in which 50 other persons were present.

Steinle also said he believed his law office was being "electronically monitored," since he began working on the case.

After hearing King say the government would "strenuously oppose" granting Balistrieri a two or three day release from custody, Reynolds rejected a request by Steinle that his client be furloughed so he could meet freely with him.

Reynolds ordered that Balistrieri be held in the Ozaukee County Jail until the court proceedings Wednesday morning.

In addition to Miss Alioto, four persons entered pretrial pleas of not guilty to charges that they took part in the alleged conspiracy to hide the ownership of the Kings IV.

They were Atty. Joseph P. Balistrieri, 31, Frank's son; Miss Susan Bartfield, 32, of 2035 N. Lake Dr.; Angelo Di Giorgio, 34, of 1821 N. Marshall St., and Peter Gaudesi, 41, of 7503 [illegible]

RECEIVED
DEC 16 1971

DCI		CIIC	

Comments:

Date: 12-7-71
Publication: Milwaukee Sentinel

	O.C.	NARC.	GEN.	[illegible]
Coordination:				

Submitting Unit:

CIIC File #:	OC-1			

cc: OC-6

OC-6-24

WISCONSIN DEPARTMENT OF JUSTICE
CRIMINAL DIVISION

Large Loans Used to Buy Shorecrest

By Alex P. Dobish
of The Journal Staff

Atty. Joseph P. Balistrieri borrowed $952,000 to buy the Shorecrest Hotel for $1,001,000, records and other sources indicated Wednesday.

The First Federal Savings & Loan Association loaned him $656,000, and the Midland National Bank loaned $296,000, according to records filed with the County Register of Deeds.

There was no indication where Balistrieri got the balance. Balistrieri could not be reached.

The title to the hotel, at 1962 N. Prospect Ave., was transferred to Balistrieri Dec. 14. A transfer fee of $845 was paid to the county, indicating a price of $845,000 for the land and building.

Other sources said Balistrieri paid an additional $156,000 for hotel contents.

2nd Transaction

The loan from First Federal was the second major transaction Balistrieri has had with First Federal. In November, 1970, First Federal bought the building housing the Kings IV night spot, 720 N. Water St., in the heart of a block that the loan firm is to redevelop.

Joseph P. Balistrieri

Balistrieri and his father, Frank P., now in prison on an income tax evasion conviction, were indicted later on conspiracy charges stemming from ownership of the Kings IV.

First Federal paid the son a reported $575,000 for the Kings IV building because it was considered vital to the redevelopment program, but negotiations had begun at a much lower price, it was learned.

In addition, First Federal agreed then to commit itself to finance purchase of a building for Balistrieri anytime during the next 12 months. The loan was not to exceed $950,000, according to sources.

2 Loans

The Midland bank made two loans, one for $250,000 and the other for $46,000, according to county records.

Records indicate that the $250,000 was secured by property Balistrieri owns at 2200-16 E. Kenilworth Pl., which he bought last June for $110,000 from an estate.

The Kenilworth property, which consists of five apartments was appraised by Ald. Allen Calhoun, who has a real estate license and is a long time acquaintance of Frank P. Balistrieri, the father.

Calhoun said he received an appraiser's fee but would not disclose it. Calhoun also helped arrange the sale of the Shorecrest. In that instance, he denied receiving a commission on the $1 million sale.

Assessed at $115,000

The Kenilworth property is assessed by the city at about $115,000. Ronald Frary, executive vice president of Midland, said the $250,000 loan was secured by other collateral besides the Kenilworth property. Frary declined to say what it was.

Midland loaned the $46,000 on a promissory note covering equipment and fixtures in the Kings IV.

RECEIVED
DEC 27 1971

DCI		CIIC	

Comments:

Date: 12 22 71
Publication: Milwaukee Journal

	O.C.	NARC.	GEN.	SPEC.
Coordination:			✓	

Submitting Unit:
CIIC File #:

WISCONSIN DEPARTMENT OF JUSTICE
CRIMINAL DIVISION

Balistrieri Mortgages Top $900,000

Mortgages totaling more than $900,000 involving Atty. Joseph P. Balistrieri have been recorded in the Register of Deeds office here.

Balistrieri bought the Shorecrest Hotel, 1962 N. Prospect Ave., last week.

Ald. Allen R. Calhoun Jr. was involved in both the sale of Shorecrest and the sale of an East Side property to Balistrieri that Balistrieri also mortgaged last week.

County records Tuesday showed the following:

- The title to Shorecrest was transferred to Balistrieri on Dec. 14. The transfer fee was $875, indicating a sale price of $875,000 for the building and the land, officials said.
- A mortgage of $656,000 involving Shorecrest was made between Balistrieri and First Federal Savings & Loan Association.
- Another mortgage of $250,000 was recorded between Balistrieri and Midland National Bank.

The property listed here is

Turn to Page 12, Col. 6

MORTGAGES
Sale Price Questioned By Judge

Continued From Page 1

on the northeast corner of E. Kenilworth Pl. and N. Lake Dr. Balistrieri bought this for $110,000 last June.

Harold Barian, a vice president of Midland, said that the property was only part of the collateral in the transaction with Balistrieri.

Calhoun and Jay Barrett appraised the property when it was part of the estate of Miss Ethel Magie, of 2004 E. Lafayette Pl. The Barrett Realty Co. received a commission of $6,600 on it when it was sold to Balistrieri, records showed.

There was no mortgage recorded on it after Balistrieri took it over.

When Miss Magie died in 1969, Calhoun appraised the property at $115,000. The city had assessed it at about the same level.

At a hearing in May, County Judge Michael T. Sullivan asked Calhoun why the sale price was less than his appraisal figure.

The alderman said the property had deteriorated and that Balistrieri's offer was the only written offer that had been received.

"My opinion is that the $110,000 is a very fair price because the property has gone down in maintenance since the death of Miss Magie," Calhoun said.

Patrick T. Sheedy, attorney for the estate, said at the hearing that Calhoun "has been very co-operative in attempting to find a purchaser despite the fact that he was one of the original appraisers, which we have informed the heirs.

"It appears to me there's no conflict in this matter because he's well acquainted in this area and has been assisting the estate in trying to find buyers."

Calhoun also said that he saw no possibility of conflict of interest in acting as appraiser and aiding in the sale because the property "had been on the market for a long time."

He also said that he had received a commission from the sale but declined to reveal how much. However, he said that it was "much less" than the $6,600 received by Barrett's firm.

Calhoun told the court that the property was 150 feet by 150 feet and consisted of four single family dwellings and one three-family residence. Court records show that five of the units were renting then for $200 a month and two units rented for $175.

Balistrieri's name was not mentioned during the hearing. He could not be reached for comment.

Calhoun also could not be reached Tuesday.

Sullivan approved the request for the sale.

Calhoun was a boyhood friend of Frank Balistrieri, Joseph's father, who is now serving a year in federal prison.

Another record filed with the county is a financing statement listing Joseph Balistrieri as the debtor and Midland National Bank as the secured party.

The statement covers all the fixtures and equipment in the Kings IV, 720 N. Water St.

Barian said that this was part of the collateral Balistrieri put up with the Kenilworth property. He said the transaction also included the $46,000 promissory note Balistrieri signed, which is recorded in the Register of Deeds office.

The collateral on this also is Shorecrest.

Frank and Joseph Balistrieri are under a federal indictment charged with conspiracy to conceal the true ownership of the Kings IV. In November, 1970, the First Federal Savings & Loan Association bought the four story building that houses the Kings IV from Joseph Balistrieri.

RECEIVED
DEC 29 1971
DCI — CIC

Comments:

Date: December 22, 1971
Publication: Milwaukee Sentinel

O.C.	NARC.	GEN.	SPEC.
		C	

Coordination:
Submitting Unit:

1-13-72

OC-1

Assistant Director - Herbert L. Krusche

SALLY PAPIA

Assistant Director HERBERT L. KRUSCHE called SALLY PAPIA at St. Michael's Hospital by phone. She advised that she had minor surgery and would be out of the hospital next week. She said that she decided not to sell her restaraunt so she would be around for a while. SALLY advised that she could not get in to see FRANK BALISTRIERI while he was being held in Ozaukee County Jail. She said that Attorney JOSEPH P. BALISTREIRI went to Washington to hire E. BENNETT WILLIAMS to defend FRANK himself, in the case Re: THE KINGS IV. SALLY advised that FRANK BUCCIERI had been to see her, in the hospital, on two occasions.

HLK:sk
cc: OC-6

RECEIVED

JAN 26 1972

DCI CIIC

TIVITY REPORT
25

WISCONSIN DEPARTMENT OF JUSTICE
Division of Criminal Investigation — Operations
123 W. Washington Ave.
Madison, Wisconsin 53703

Date: February 4, 1972

Case No.: OC-6

INVESTIGATORS: Special Agent WALTER A. YOUNK

SUBJECT OF INVESTIGATION: BALISTRIERI, JOSEPH P., Attorney

The attached copy of complaint and answer in the case of BASIC FIXTURES, INC., vs JOSEPH P. BALISTRIERI was obtained by Special Agent RICHARD ANDERSON.

The complaint, filed May 23, 1971, asks judgment for $7,341.32, the amount due and unpaid as a result of a contract for materials and services provided by BASIC FIXTURES in the remodeling of the KINGS IV in 1968 and 1969.

Subsequent to filing of this action, it is known, through a review of BALISTRIERI'S checking accounts, that at least two payments in amounts of $2,000 and $2,500 have been made to BASIC FIXTURES. This would indicate some form of out-of-court settlement has been agreed upon.

WAY:gk

RECEIVED

FEB 14 1972

DCI		CIIC
OC	6	34

has failed, refused and neglected to pay the plaintiff.

WHEREFORE, plaintiff prays for judgment in the sum of Seven Thousand Three Hundred Forty-one and 32/100 Dollars ($7,341.32) due and owing from the defendant to the plaintiff, plus interest thereon and for its costs and disbursements in this action.

MICHAEL, BEST & FRIEDRICH
Attorneys for Plaintiff

P. O. Address:

626 East Wisconsin Avenue
Milwaukee, Wisconsin 53202

CRIMINAL INVESTIGATION DIVISION
FEB 14 1972

STATE OF WISCONSIN | CIRCUIT COURT CIVIL DIVISION | MILWAUKEE COUNTY

BASIC FIXTURES, INC., a Wisocnsin Corporation,

Plaintiff,

-vs-

JOSEPH P. BALISTRIERI, an individual,

Defen[redacted]

FILED

O JUL 15 1971 O

M[redacted]

CLERK

ANSWER

Case No. 389-990

Now comes the above named defendant, by Henry G. Piano, his attorney, and as and for an answer to plaintiff's complaint, admits, alleges, denies and respectfully shows to the Court as follows:

1. Admits the allegations contained in paragraphs numbered One (1) and Two (2) of plaintiff's Complaint.

2. Answering unto paragraph numbered Three (3) of plaintiff's Complaint the defendant admits that Two (2) proposals namely Exhibit "A" and Exhibit "B" attached in plaintiff's Bill of Particulars were requested by the defendant personally, and further admits that plaintiff performed services in addition to the services performed by plaintiff under the written proposals namely Exhibit "A:" and Exhibit "B" attached to plaintiff's Bill of Particulars in the sum of Six Thousand Seven Hundred Fifteen and 00/100 ($6,715.00) Dollars and that no further services were performed by the plaintiff for the defendant, and answering further unto said paragraph the defendant denies each and every allegation therein contained.

3. Answering unto paragraph numbered Four (4) of plaintiff's complaint, the defendant admits that the plaintiff performed work for the defendant in the amount contained in Exhibit "A" and Exhibit "B" of the

Bill of particulars and extras in the amount of Six Thousand Seven Hundred Fifteen and 00/100 ($6,715.00) Dollars and no further amount and answering further unto said paragraph the defendant denies each and every allegation therein contained.

4. Answering unto paragraph numbered Five (5) of plaintiff's Complaint the defendant denies each and every allegation therein contained.

WHEREFORE, defendant demands judgment dismissing plaintiff's complaint and that the defendant be awarded the costs and disbursements of this action.

HENRY G. PIANO
Attorney for Defendant.

STATE OF WISCONSIN)
) SS.
MILWAUKEE COUNTY)

JOSEPH P. BALISTRIERI, being first duly sworn on oath deposes and says that he is the defendant in the above entitled action; that he has read the above and foregoing Answer, knows the contents thereof and that the same is true to his own knowledge, except as to those matters therein stated on information and belief, and as to those matters, he believes it to be true.

JOSEPH P. BALISTRIERI

Subscribed and sworn to before me
this 15th day of July, 1971.

HENRY G. PIANO
Notary Public, Milwaukee County, Wisconsin.
My Commission is permanent.

FILED

VERIFICATION

STATE OF WISCONSIN)
) ss.
MILWAUKEE COUNTY)

Patrick T. McGriff, being first duly sworn on oath deposes and says that he is an officer, to-wit: the President of Basic Fixtures Inc., a Wisconsin corporation, the plaintiff herein; that he makes this verification for and on its behalf and is duly authorized so to do; that the reasons this verification is not made by plaintiff Basic Fixtures Inc. is that plaintiff is a corporation; that he has read the foregoing Complaint, knows the contents thereof and that the same is true of his own knowledge, except as to matters therein alleged on information and belief and as to those matters he believes the same to be true.

Patrick T. McGriff

Subscribed and sworn to before me
this 19th day of May, 1971.

Notary Public, Milwaukee County, WS.

My Commission: is permanent

FILED

MAY 28 1971

EXHIBIT "A"

Labor and materials provided under the accepted proposals.

1. Custom manufactured front bar.
2. Custom manufactured stainless steel workboards with #7 mirror finish to stainless steel.
3. Custom manufactured dry storage cabinetry.
4. Two each custom manufactured bottle coolers with a heavy duty McQuay blower in each unit.
5. Display cooking area with marble ledge. Brass canopy cover.
6. Custom manufactured room dividers.
7. Custom manufactured waitress stations with all exterior surfaces of laminated formica.
8. Custom manufactured hostess desk with storage below.
9. Custom manufactured boothing.
10. Tables (11)
11. Coat and hat rack for the coat room.
12. Decorative back bar upper structure to coordinate with bar decor.
13. Custom manufactured interior door for leading from the foyer into the restaurant proper.
14. Custom manufactured bay window.
15. All interior lobby walls from floor to ten foot ceiling.

FILED

MAY 2 0

EXHIBIT "B"

Additional labor and materials provided.

1. Custom manufactured front bar.
2. Custom manufactured stainless steel workboards with #7 mirror finish to the stainless steel.
3. Custom manufactured dry storage cabinetry.
4. Three each custom manufactured bottle coolers with a heavy duty blower in each unit.
5. Custom manufactured back bar upper structure.
6. Lights (7)
7. Tables (5)
8. Door - two window glass.
9. Ceiling Beams (4)
10. Ceiling Brackets Installed.
11. Outside Arch Beam.
12. Hardware (pulls, plates, etc.) - installed - 2 sets.
13. Spigots and Brackets

STATE OF WISCONSIN : CIRCUIT COURT : MILWAUKEE COUNTY
CIVIL DIVISION

BASIC FIXTURES INC.,
a Wisconsin Corporation,

Plaintiff,

v.

JOSEPH P. BALISTRIERI,
an individual,

Defendant.

COMPLAINT

Case No. 389-990

COMES NOW the plaintiff above named, by Michael, Best & Friedrich, its attorneys, and as and for its cause of action against the above named defendant, alleges and shows to the Court as follows:

1. That the plaintiff, Basic Fixtures, Inc., is a corporation duly organized and existing under the laws of the State of Wisconsin, with its office located at 422 North Fifth Street in the City and County of Milwaukee, State of Wisconsin, and is engaged in the business of designing, manufacturing, delivering and installing furnishings and fixtures.

2. That defendant, Joseph P. Balistrieri, is an individual residing at 3043 North Shepard Avenue, Milwaukee, Wisconsin, and is an attorney by profession; that at all times material hereto the defendant owner of the property located at 720 North Water Street, Milwaukee, Wisconsin.

3. That during the month of September, 1968, the

FILED
MAY 28 1971
FRANCIS X. McCORMACK

plaintiff, at the special interest and request of the defendant and/or his agent, Frank Balistrieri, submitted two proposals, which proposals were thereafter accepted by the defendant, to design, manufacture, fabricate, assemble and install furnishings and fixtures in the building owned by the defendant. A true and correct copy of said labor and materials provided is attached hereto and incorporated herein and made a part hereof and designated "Exhibit A."

4. That between September 28, 1968 and April 25, 1969, the plaintiff did perform all work and provided all materials and labor pursuant to said accepted proposals; that at the special instance and request of the defendant and/or his agent, Frank Balistrieri, the plaintiff did perform additional related work and provide additional materials and labor, to-wit: designing, manufacturing, fabricating, assembling and installing furnishings and fixtures in the building owned by the defendant; that the cost of the additional work and materials was reasonable and authorized and agreed to by the defendant and/or his agent, Frank Balistrieri. A true and correct copy of said additional labor and materials provided is attached hereto and incorporated herein and made a part hereof and designated "Exhibit B."

5. That there is at the present time a balance due to the plaintiff from the defendant in the amount of Seven Thousand Three Hundred Forty-one and 32/100 Dollars ($7,341.32), plus interest for labor and materials provided pursuant to the agreements between plaintiff and defendant with respect to the designing, manufacturing, fabricating, assembling and installing furnishings

which proposals were thereafter accepted by the defendant, to design, manufacture, fabricate, assemble and install furnishings and fixtures in the building owned by the defendant. A true and correct copy of said labor and materials provided is attached hereto and incorporated herein and made a part hereof and designated "Exhibit A."

4. That between September 28, 1968 and April 25, 1969, the plaintiff did perform all work and provided all materials and labor pursuant to said accepted proposals; that at the special instance and request of the defendant and/or his agent, Frank Balistrieri, the plaintiff did perform additional related work and provide additional materials and labor, to-wit: designing, manufacturing, fabricating, assembling and installing furnishings and fixtures in the building owned by the defendant; that the cost of the additional work and materials was reasonable and authorized and agreed to by the defendant and/or his agent, Frank Balistrieri. A true and correct copy of said additional labor and materials provided is attached hereto and incorporated herein and made a part hereof and designated "Exhibit B."

5. That there is at the present time a balance due to the plaintiff from the defendant in the amount of Seven Thousand Three Hundred Forty-one and 32/100 Dollars ($7,341.32), plus interest for labor and materials provided pursuant to the agreements between plaintiff and defendant with respect to the designing, manufacturing, fabricating, assembling and installing furnishings and fixtures in the building owned by the defendant; that demand for payment has been made upon the defendant but the defendant

SE ACTIVITY REPORT
-DCI-25

WISCONSIN DEPARTMENT OF JUSTICE
Division of Criminal Investigation -- Operations
123 W. Washington Ave.
Madison, Wisconsin 53703

Date: April 28, 1972

Case No.: OC-6

INVESTIGATORS: Special Agent THOMAS STEINGRAEBER and Assistant Director HERBERT KRUSCHE

SUBJECT OF INVESTIGATION: Attorney JOSEPH P. BALISTRIERI - TUNA BOAT

On Monday, April 24, 1972, at 2:00 P.M., Special Agent THOMAS J. STEINGRAEBER and Assistant Director HERBERT KRUSCHE interviewed F[redacted] D[redacted], DOB [redacted] of 7228 S. 27th Street, Oak Creek, Wisconsin. MR. D[redacted] was interviewed in the presence of his Attorney STEVE ENICH at 1225 W. Mitchell Street, Milwaukee, Wisconsin.

During an interview relative to commercial gambling with MR. D[redacted] he was asked if he knew ANDREW LOCOCO. MR. D[redacted] stated he was a good friend of LOCOCO'S. That LOCOCO stayed at the RAFTERS frequently when LOCOCO is in Milwaukee. He states LOCOCO comes to Milwaukee at irregular intervals. Possibly as often as every few weeks. D[redacted] stated that LOCOCO stayed at THE RAFTERS on Saturday and Sunday April 22 and April 23, 1972. He was accompanied on that occasion by J[redacted] B[redacted] who is employed by LOCOCO as the manager of the COCKATOO MOTEL, Hawthorne, California, which is owned by LOCOCO. MR. D[redacted] explained that LOCOCO is having a tuna boat built at a ship yard in Sturgeon Bay, Wisconsin, and he checks on the progress of construction. The boat allegedly will cost in the area of three and one half million dollars.

MR. D[redacted] was asked if he had or if FRANK BALISTRIERI, who he claims is a good friend of his, has any financial interest in the boat. MR. D[redacted] stated that he did not and did not think the BALISTRIERI'S did.

MR. D[redacted] stated that FRANK BALISTRIERI visits the RAFTERS on occasion and has been accompanied by a female whose name MR. D[redacted] claimed he did not know.

MR. D[redacted] stated ANDY LOCOCO is a "good guy" and he does not believe LOCOCO is involved in any illegal activities.

MR. D[redacted] stated he will attempt to arrange an interview of ANDY LOCOCO via Assistant Director KRUSCHE the next time MR. LOCOCO is in town.

RECEIVED
MAY 3 1972
DCI CIC

TJS:cn
cc: Peshek
OC-78

PERSONAL INTERVIEW REPORT
DJ-DCI-3

(WISCONSIN DEPARTMENT OF JUSTI(
Division of Criminal Investigation – Operations
123 W. Washington Ave.
Madison, Wisconsin 53703

Date April 27, 1972
Case No: OC-6

PARTY INTERVIEWED ARTHUR W. BRUEMMER JR.

ADDRESS 12865 North Oriole Lane, Mequon, Wisconsin

INTERVIEWING AGENTS Donald A. Schmidt and Walter A. Younk

On Thursday, April 26, 1972, A[redacted] B[redacted], D.O.B. [redacted], [redacted], Mequon, Wisconsin, [redacted] was interviewed by Special Agents SCHMIDT and YOUNK. He was interviewed concerning information contained in a D.C.I. memo, OC-6-30. The interview was conducted in the D.C.I. office. The statement of B[redacted] is substantially as follows:

B[redacted], with his brother and sister, is involved in the ownership and operation of a 40 story office building in Chicago, Illinois. This is the only building currently owned by the BRUEMMER family. The B[redacted] were the former owners and operators of the SHORECREST HOTEL, 1962 North Prospect Avenue, Milwaukee, Wisconsin. The B[redacted] sold the SHORECREST HOTEL to JOSEPH P. BALISTRIERI in December of 1971. Prior to the sale of the SHORECREST, the SHORECREST REALTY COMPANY, INC., was the owner and operator. B[redacted] was the president of the corporation; his sister was vice president; and his brother was secretary. The SHORECREST was a family operation since A[redacted] B[redacted], SR. took control in 1951. B[redacted], SR. died in 1966 or 1967. The SHORECREST was placed in trust for his three children.

A[redacted] B[redacted], [redacted] was the active manager of the building since his father's death. B[redacted] served the hotel in various capacities. He maintained the records, audited the books and filed the financial statements. On occasion, he took care of the switchboard or performed some of the maintenance work. He said that he worked 6 days per week and 12 hours per day.

During the operation by B[redacted], [redacted] the SHORECREST lost between $15,000.00 and $20,000.00 annually. Despite a cutback in the number of employees, the building continued to lose money.

In 1968, the SHORECREST HOTEL was appraised at $1,600,000.00. Because the hotel was losing money, the B[redacted] family decided to put the building up for sale. It was listed for 90 days with the JAMES GEIRINGER AND ASSOCIATES REALTY firm on August 15, 1971. The building was listed for $1,600,000.00. The realty company listing expired on November 14, 1971. During the 90 day period

RECEIVED
MAY 5 1972

AGENTS SIGNATURES:

DATES:

DCI			CIIC

OC-6-63

one offer for $750,000.00 was received and rejected. The family had decided that $1,000,000.00 was the minimum that would be accepted. On November 19, 1971, ALLEN CALHOUN approached the GEIRINGER COMPANY and inquired about the SHORECREST HOTEL. The B[redacted] family was contacted and advised that an offer to purchase the property had been made.

The law firm of LICHTSINN, DEDE, RYAN AND HAENSEL, 740 North Plankinton Avenue, handled the sale for the B[redacted]. HENRY PIANO represented JOSEPH P. BALISTRIERI during the negotiations.

The original offer for the SHORECREST was $1,100,000.00. JOSEPH P. BALISTRIERI was unable to raise the money so the eventual sale price of the SHORECREST was $1,003,000.00. Of this amount, JOSEPH P. BALISTRIERI provided $8,000.00 in cash. Since the 1971 real estate taxes were unknown at this time, the tax was calculated on the 1970 figure. This amounted to $47,000.00 to $49,000.00. This amount was credited to BALISTRIERI so his downpayment was technically the $8,000.00 in cash plus the tax credit. BALISTRIERI possessed a written credit for the purchase of property from the FIRST FEDERAL SAVINGS AND LOAN in the amount of $1,000,000.00.

The transaction took place almost exlusively by telephone. BRUEMMER saw JOSEPH P. BALISTRIERI on one occasion and that was on the day of the sale closing. To B[redacted]'S knowledge, BALISTRIERI never saw the property that he purchased. BENEDETTA B[redacted] accepted the keys for the SHORECREST. On the day of the sale, PETER BALISTRIERI and MRS. FRANK (ANTONINA) BALISTRIERI came to the SHORECREST.

B[redacted] stated that ANTONINA BALISTRIERI is the active manager of the SHORECREST at the present time. BRUEMMER receives calls from her about various aspects of the SHORECREST operation. B[redacted] also said that FRANK BALISTRIERI was in the Port Washington jail during this period, but to his knowledge did not take an active role in the negotiations. B[redacted]'S attorney did not have any contact with FRANK BALISTRIERI either.

After the sale was completed, the Milwaukee Journal and the Milwaukee Sentinel contacted B[redacted] and asked him about rumors that he was coerced into selling the property at less than its fair value. B[redacted] told the reporters that this rumor was absolutely untrue. He refused to be interviewed by the newspapers. A short time later, B[redacted] was contacted by F.B.I. Agents who talked to him about the rumored coercion. B[redacted] told the Agents that these rumors were untrue. The F.B.I. Agents apparently were interested only in the alleged coercion and did not discuss the sale of the SHORECREST itself. B[redacted] was not contacted again about the matter until the D.C.I. contacted him.

B[redacted] stated that he has never been in the KINGS IV or any other BALISTRIERI operated establishment. He is married and has three children. Since the SHORECREST sale, he has communted to Chicago daily to assist in the operation of the family owned office building.

ALLEN CALHOUN was at the deal closing. CALHOUN immediately wrote the insurance on the SHORECREST for the new owners. The building was insured for $1,000,00.00. Since the sale price was dropped from the original $1,100,000.00, B[redacted] wanted BALISTRIERI to pay the realty company fee. This amounted to approximately $50,000.00. PIANO agreed that BALISTRIERI would pay the brokerage fee. BALISTRIERI ultimately refused to make the payment. B[redacted] bargained with G[redacted], and a $15,000.00 fee was agreed upon. After the sale price was lowered, the total was changed to $12,000.00, which B[redacted] paid. To B[redacted]'S knowledge, CALHOUN did not receive a fee, although it is possible that BALISTRIERI paid him.

Since the SHORECREST was slold, B[redacted] said than BALISTRIERI has hired four more employees. One of the employees hired is G[redacted] J[redacted], [redacted], a maintenance man. B[redacted] had fired him a year ago because he was a drunk and a thief. The APCO PAINTING COMPANY that serviced the building while the B[redacted] owned it was not retained by BALISTRIERI. According to someone at THE APCO COMPANY, BALISTRIERI is hiring numerous Italian non-union laborers. Extensive refurbishing and refurnishing projects are currently taking place. BALISTRIERI appears to be investing a considerable amount of money in the building.

B[redacted] said that the SHORECREST is completely occupied. The top floor is the lone exception. This floor has kitchen facilities and approximately 6,000 feet of open space.

The SHORECREST contains KOSTA'S RESTAURANT. KOSTA has a five year lease with options. B[redacted] does not believe that the lease could be broken.

DAS:kmj

DIVISION
COMMUNICATIONS SECTION
MAY 2 1975
RECEIVED

WISCONSIN DEPARTMENT OF JUSTICE
CRIMINAL DIVISION

No Trial Due For Son of Balistrieri

Atty. Joseph P. Balistrieri will not be tried with five other persons in a case involving the true ownership of the Kings IV tavern, formerly at 720 N. Water St., Federal Judge Myron L. Gordon ruled Friday.

Balistrieri "is named only in the conspiracy count of the indictment with aiding the concealment of the interest of Frank Balistrieri by falsely representing that Angelo Di Giorgio was the tenant of the premises," Gordon wrote in a decision.

"Because of the limited participation charged against Joseph P. Balistrieri in the indictment, I believe he is justly concerned about the ability of the trier of fact to afford him an independent determination of his guilt or innocence," Gordon wrote.

Named in the indictment, in addition to Balistrieri, 31, were:

Frank P. Balistrieri, 53, of 3043 N. Shepard Ave., the father of Joseph Balistrieri; Di Giorgio, 34, of 1821 N. Marshall St.; Miss Jennie Alioto, 45, of 2440 N. Dousman St.; Peter Gaudesi, 41, of 7503 W. Stevenson St., and Miss Susan Bartfield, 31, of 2035 N. Lake Dr.

The six defendants were charged with conspiracy to conceal true ownership of the tavern and with filing individual income and special tax returns which were not correct as to every material matter.

The court ordered that the government submit an affidavit "regarding the nature of its comments, if any, to the grand jury concerning inferences to be drawn from a witness' use of Fifth Amendment privileges."

Gordon said the defendants want to determine whether the conspiracy count is the "product of substantive evidence presented to the grand jury."

"It is suggested that the indictments may have stemmed from the fact that five of the defendants claimed their Fifth Amendment privileges before the grand jury and that the attorney for the government may have commented that the defendants' silence was tantamount to an admission of guilt," he said.

The decision said the five defendants claimed they were called before the grand jury for the sole purpose of causing them to invoke the privilege against self-incrimination so that such collective silence might be construed as evidence of conspiracy.

RECEIVED

JUN 16 1972

DCI			CIIC

Comments:

Date: 6-10-72
Publication: Milwaukee Sentinel

	O.C.	NARC.	GEN.	SPEC.
Coordination:				

Submitting Unit: Milwaukee Office

CIIC File #:	OC	6	70	

WISCONSIN DEPARTMENT OF JUSTICE
CRIMINAL DIVISION

Balistrieris Separated for Trial

Federal Judge Myron L. Gordon ruled Friday that Atty. Joseph P. Balistrieri, 31, could be tried separately from five other defendants, including his father Frank P., 54, on conspiracy charges.

Gordon said, in a written decision, that the limited participation of Atty. Balistrieri in the alleged offenses justified a separate trial for him.

Balistrieri was named only in a conspiracy charge that was part of a 10 count indictment. He was accused of aiding the concealment of his father's interest in the Kings IV, formerly a downtown night spot at 720 N. Water St.

The judge denied a similar motion for separate trial on behalf of another defendant, Angelo Di Giorgio, 34, of 1821 N. Marshall St. He was licensee of the Kings IV.

The six defendants were indicted last year on charges of conspiring to conceal Frank Balistrieri's ownership of the Kings IV. The indictment also included charges of filing false income tax returns and false special tax statements.

Also indicted were Miss Jennie Alioto, 44, of 2440 N. Dousman St., a bookkeeper for Frank Balistrieri; Miss Sue Bartfield, 31, of 2035 N. Lake Dr., a former manager and hostess at the Kings IV, and Peter Gaudesi, 41, of 7503 W. Stevenson St., a tavernkeeper.

RECEIVED
JUN 16 1972

DCI			CIIC

Comments:

Date: 6-10-72
Publication: Milwaukee Journal

	NARC.	GEN.	SPEC.
Coordination:			

Submitting Unit: Milwaukee Office

CIIC File #:			
DC	6	71	

File: OC-6

5

Details

On June 13, 1972, Special Agent YOUNK examined a copy of monthly statement dated May 31, 1972, and copies of cancelled checks for Attorney JOSEPH P. BALISTRIERI'S checking account #01-20-6311 at the MIDLAND NATIONAL BANK, Milwaukee, and extracted the following:

Balance April 28, 1972: [redacted]
Credits during May, 1972:
Debits during May, 1972:
Balance May 31, 1972:

Checks Cleared

Check Number	Date	Payee	Amount
2166	4-27-72	NORTH SHORE STATE BANK	[redacted]
2170	5-01-72	Kenosha County Sheriff's Department	
2177	5-04-72	MIDLAND NATIONAL BANK	
2160	4-24-72	AMERICAN EXPRESS	
2168	5-01-72	MAC ARTHUR SQUARE PARKING	
2162	4-24-72	ST. RITA'S School Reunion	
2172	5-02-72	WISCONSIN ELECTRIC POWER COMPANY	
2185	5-09-72	PETER GAUDESI (Deposited at MIDLAND NATIONAL BANK)	
2180	5-08-72	WISCONSIN TELEPHONE COMPANY	[redacted]
2189	5-12-72	Law Office Account	
2186	5-10-72	BONDED MESSENGER SERVICE, INC.	
2179	5-08-72	ADELMAN (Laundry and Cleaners)	
2184	5-09-72	Milwaukee Police Department	
2174	5-04-72	MILWAUKEE ATHLETIC CLUB	
2171	5-02-72	THE GRANDE FLOWERS	
2188	5-10-72	JOHN J. BALISTRIERI (Deposited or cashed at FIRST NATIONAL BANK, Valparaiso, Indiana)	
2173	5-02-72	MERIT PRINTING COMPANY	[redacted]

RECEIVED
JUN 21 1972
CRIMINAL INVESTIGATION DIVISION
RECEIVED
JUN 22 1972
DCI - CIIC

Check Number	Date	Payee	Amount
2175	5-04-72	MILCO PROCESS SERVICE	[redacted]
2196	5-17-72	WISCONSIN TELEPHONE COMPANY	
2192	5-16-72	CONTINENTAL BANK & TRUST CO.	
2193	5-16-72	CATHOLIC KNIGHTS INSURANCE SOCIETY	
2187	5-10-72	MILWAUKEE JAYCEES	
2199	5-19-72	STANDARD OIL DIVISION	
2158	4-21-72	I.B.M.	
2197	5-18-72	AMERICAN EXPRESS	
2190	5-12-72	Clerk of Courts (Federal)	
2200	5-19-72	JOSEPH P. BALISTRIERI	
2183	5-09-72	MASS. INDEMNITY & LIFE INS. CO.	
2182	5-09-72	MASS. INDEMNITY & LIFE INS. CO.	
2181	5-08-72	University of Minnesota	
2195	5-16-72	American Judicature Society	
2198	5-18-72	JOHNNIE WALKER, LTD.	
2194	5-16-72	Criminal Law Bulletin	
2204	5-31-72	Law Office Account	
2169	5-01-72	Milwaukee Police Department	

Debit Memo #06097, dated 5-04-72, reflects payment of [redacted] to FRANK P. BALISTRIERI by certified check. (Inquiries made by KARL KOLBE, Intelligence Section, Wisconsin Department of Revenue, revealed that FRANK BALISTRIERI cashed this check, number 2178, on 5-04-72, and took payment in one-hundred and fifty dollar bills.)

Deposits during the period included the following checks:

From	Amount	Deposited On
DEL CHEMICAL	[redacted]	5-12-72
DEL CHEMICAL		5-30-72

RECEIVED
JUN 21 1972
CRIMINAL INVESTIGATION DIVISION

File: OC-159

5

Details:

On June 6, 1972, ANDREW JOSEPH LOCOCO, [redacted], Hawthorne, California, testified under oath and under a grant of immunity, before a Milwaukee County Grand Jury, in Milwaukee, Wisconsin. Testimony was recorded and transcribed verbatim by a court reporter and a copy of the transcipt is filed as OC-134-1C-164a.

On June 27, 1972, Assistant Director HERBERT KRUSCHE reviewed the transcript of LOCOCO'S testimony, which is summarized as follows:

Admitted being arrested in Milwaukee area in the 1930's, on five or six occasions (did not state what for). Also admitted perjury conviction in Federal court in Los Angeles, California. (page 3)

Named his brothers and sisters and said they all live in California

1. Sister -- M[redacted] G[redacted]
2. Sister -- A[redacted] L[redacted]
3. Brother - DR. THOMAS LOCOCO
4. Brother - N[redacted] L[redacted]
5. Brother - A[redacted] L[redacted]
6. Brother - J[redacted] L[redacted]
7. Brother - M[redacted] I[redacted]

No relatives other than second cousins in Milwaukee.

Owns COCKATOO HOTEL in Hawthorne, California. Owned as individual proprietorship. The restaurant in hotel is operated as a corporation, COCKATOO, INC. Officers of corporation are himself, his wife, and his brother, N[redacted]. The corporation has been in existence since the early 1950's.

Other business includes building of a tuna vessel at Sturgeon Bay, Wisconsin. Wife and self own boat under the corporate name MARGE-AL, INC. Stock all in ANDREW LOCOCO'S name. No other partners involved in this corporation.

Also wife and self own an apartment house at [redacted], in Hawthorne, California. Owns land in San Bernadino County and in Riverside County, California.

No other associates or investors in tuna boat venture.

RECEIVED

JUL 14 1972

DCI CIIC

OC-6-76

Doesn't recall placing or taking a bet from anyone in Milwaukee County in the past six years, by phone or in person.

Identified a photograph of R[redacted] O[redacted] (a Milwaukee bookmaker) and said O[redacted] was a friend. Said he did not remember if he saw O[redacted] in 1962. O[redacted] has stayed at his hotel. Believes he met O[redacted] in Milwaukee but does not remember the circumstances as to the meeting. Believes he has seen O[redacted] twice a year during the past three years.

Admitted that FRANK BALISTRIERI and STEVE DI SALVO have visited his hotel but doesn't remember what year.

Admitted making a trip to Mexico with Milwaukee gambler ANTHONY MACHI, a/k/a T[redacted] P[redacted], in 1967, for the purpose of marlin fishing.

Admitted knowing Milwaukee gambler E[redacted] S[redacted] and said S[redacted] has stayed at his hotel, during his recent perjury trial.

Knows I[redacted] D[redacted]. Knows him as a seller of tickets but had no knowledge that DE FALCO is a bookmaker.

Has no knowledge that DE FALCO had customers for line information, in Milwaukee.

Has a cousin named F[redacted] L[redacted] living at [redacted]. F[redacted] tends bar. Doesn't know that F[redacted] L[redacted] is a bookmaker.

To the best of his knowledge he does not believe his brother, N[redacted] L[redacted] is a bookmaker. Said NICK owns a couple of restaurants and sells insurance.

Knows Milwaukee gambler R[redacted] M[redacted]. Doesn't recall placing bets with or taking bets from R[redacted] M[redacted].

He made no loans to anyone in Milwaukee County during the past six years.

Does not own any interest in a race horse. Said wife owned some interest in some yearlings.

Denied any financial interest in horse named MR. COCKATOO. Said ROCCO YOUSE of DEL CHEMICAL owns the horse.

Admits being barred from California race tracks because of felony conviction.

Denies have a pilot. Refused to answer questions regarding the arrest for flying over a California race track recently.

(Questioned regarding Milwaukee Police visiting his hotel.)

He remembers Milwaukee Detectives HERMAN SORGI and JOSEPH MISZEWSKI. Doesn't remember how many times or details. Doesn't remember that either stayed in his home. Has known MISZEWSKI for from five to ten years. Said both detectives paid their bill, he never picked up the tab. Admitted that MISZEWSKI gave him a hand gun. (.38 caliber with short barrel) Received gun five years ago but doesn't remember details. Believes it was a new gun. The gun is now in the custody of Federal Alcohol, Tobacco & Firearms Unit in Los Angeles, California (since 1970 or 1971).

Tuna boat he is building will cost $3,900,250.00.

NOTE: L[redacted] refused to answer questions re: loans from FRANK BALISTRIERI, Attorney JOSEPH BALISTRIERI, or from the Teamsters Pension Fund. He was ordered to answer or be charged with contempt. He then answered as follows:

Went to school with FRANK BALISTRIERI.

Received no loans from ROCCO YOUSE or DEL CHEMICAL.

Said Attorney JOSEPH BALISTRIERI wanted to invest some money in tuna boat. He accepted $250,000.00 from JOSEPH BALISTRIERI between July and September of 1971. Said JOE BALISTRIERI decided he wanted his money back so he paid it back in February or March of 1972.

Said JOSEPH BALISTRIERI made a check out to PETERSON BUILDERS. Paid JOSEPH BALISTRIER back with a cashiers check that was purchased at the IMPERIAL BANK in Los Angeles, California. JOSEPH BALISTRIERI has no investment in his boat at this time.

LOCOCO denied paying any interest to JOSEPH BALISTRIERI but said he paid $3,000.00 to some bank in Milwaukee. LOCOCO sent his own check for the $3,000.00 interest. (hotel check) Saw JOSEPH BALISTRIERI personally to set up original loan or investment in boat. Meeting took place in Milwaukee. JOSEPH was to get stock in the MARGE-AL, INC., but did not get it.

Borrowed money from Teamsters Central States, Southeast and Southwest Pension Fund, to build on to his hotel. The total of two loans was two and one half million dollars.

Filed own application for loan and knew no one.

Doesn't remember if Attorney JOSEPH BALISTRIERI or FRANK BALISTRIERI had anything to do with getting the loan from the Teamsters. Did talk to JOSEPH BALISTRIERI about it though.

Denied knowing if JOSEPH BALISTRIERI, FRANK BALISTRIERI or FRANK RANNEY (ex-Milwaukee area Teamster official and friend of FRANK BALISTRIERI) made any payoffs to anyone to obtain his loans.

Admitted that his employee, H[redacted] F[redacted], cashed a $375,000.00 check for him at the IMPERIAL BANK in Los Angeles, California. Said F[redacted] was his accountant for the past twelve to fourteen years. Said check was the proceeds from a personal loan from VAN CAMPS CANNERY. Said a Mr. B[redacted] B[redacted] or B[redacted] handled the deal for VAN CAMPS.

cc: OC-6

September 5, 1972

Re: OC-6-85

Mr. James B. Conlisk, Jr.
Superintendent
Chicago Police Department
1121 South State Street
Chicago, Illinois 60605

Attention: William R. Mooney, Director, Intelligence Division

Dear Sir:

This Department is currently assisting the Wisconsin Department of Revenue in an investigation of possible State Income Tax evasion involving Attorney Joseph Balistrieri. Joseph Balistrieri is the son of Frank P. Balistrieri, alleged leader of the organized crime element in southeastern Wisconsin.

I have enclosed a subpoena Duces Tecum directed to Playboy Clubs International, Inc., 919 North Michigan, Chicago, Illinois, 60611. Would you please attempt to obtain the information requested on the subpoena and forward it to this office. If the information can be obtained without the subpoena, that would be preferred. Unfortunately, the subpoena is not compelling outside of the State of Wisconsin, but may be helpful in obtaining the desired information.

Thank you for your assistance in this and previous matters and please be assured of our cooperation in all matters of mutual concern.

Sincerely,

FRANK A. MEYERS
Director of Operations

HERBERT L. KRUSCHE
Assistant Director of Operations

RECEIVED

SEP 11 1972

DCI - CIIC

OC-6-85

GHH:ms
enc.

State of Wisconsin
Department of Revenue
Intelligence Section

SUBPOENA DUCES TECUM

STATE OF WISCONSIN

County of Milwaukee SS.

THE SECRETARY OF REVENUE TO: Playboy Clubs International Inc. 919 N. Michigan, Chicago, Illinois 60611

You are hereby required to appear before Dennis R. Ullman a Special Tax Agent of the Wisconsin Department of Revenue, to give testimony relating to the tax liability of Joseph P. Balistrieri 1962 N. Prospect Avenue, Milwaukee, Wisconsin

For the period(s) January 1, 1968 through December 31, 1971 inclusive

and to bring with you and produce for examination the following books, records, and papers at the time and place hereinafter set forth:

1. Copy of credit card application of Joseph P. Balistrieri.
2. Copies of monthly statements and individual charge slips for any personal accounts of Joseph P. Balistrieri and/or business accounts which he is authorized to use, for the period January 1, 1968 through December 31, 1971 inclusive.

Place and time for appearance:

At District State Office Bldg., Rm 510, 819 N. 6th St., Milwaukee, Wis.

on the 25th day of September 1972, at 10:30 o'clock A. M.

Issued under authority of Sections 73.04(3) and 885.01(4) of the Wisconsin Statutes

this 29th day of August, 1972.

Signature Dennis Ullman
Special Tax Agent

II-201 (R. 3-72)

CITY OF CHICAGO / DEPARTMENT OF POLICE 1121 South State Street Chicago, Illinois 60605 744-4000

RICHARD J. DALEY, *Mayor*
JAMES B. CONLISK, JR., *Superintendent*

September 18, 1972

Fred L. Jacobson, Administer
Wisconsin Division of Criminal Investigation
114 East State Capitol
Madison, Wisconsin 53702

Attn: Herbert L. Krueche
Assistant Director
Organized Crime

Dear Sir:

This is in reply to your letter dated September 5, 1972 (your file number OC - 6 - 85) requesting that we obtain credit card information from Playboy Clubs International Inc. on a Joseph Balistrieri.

Enclosed find a copy of this information which we were able to obtain merely by asking for it. Also there is a letter qualifying the source and availability of the enclosed information.

I hope this will aid you in your investigation of the subject, and be assured of our cooperation in matters of mutual concern.

Sincerely,

William R Mooney

William R. Mooney
Director
Intelligence Division

WRM/mjb

RECEIVED

SEP 27 1972

DCI			CIIC

152L

OC-6-85

PLAYBOY

September 14, 1972

RE: Joseph P. Balistrieri
1962 North Prospect Avenue
Milwaukee, Wisconsin

Gentlemen:

Here is an itemization of the activity on Mr. Balistrieri's account from January 1970 through December 1971 and copies of all Club charge sale tickets. As we discussed, this information is not readily available for the period prior to this since it is stored in cartons of microfilm at a warehouse. It can be obtained in time, if you do desire it. We can tell you, however, that our records show Mr. Balistrieri's gross Club expenditures since becoming a keyholder in June 1968 total $386. Included in that total are $67 in year-to-date charges from 1972.

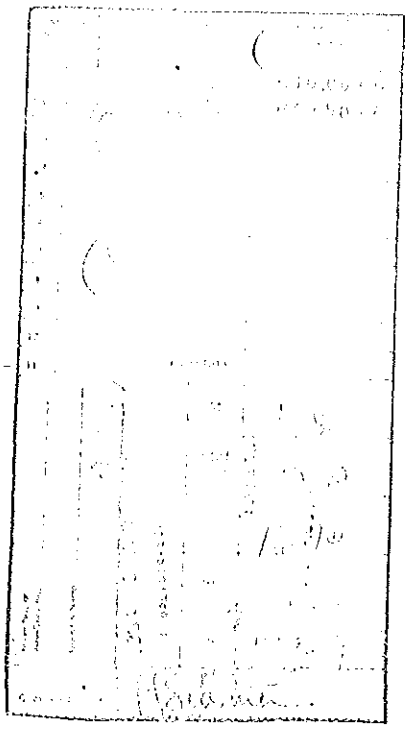
We are also enclosing a copy of his application for a Playboy Club Key, and we want to point out that the address we have on file is different than the one you supplied.

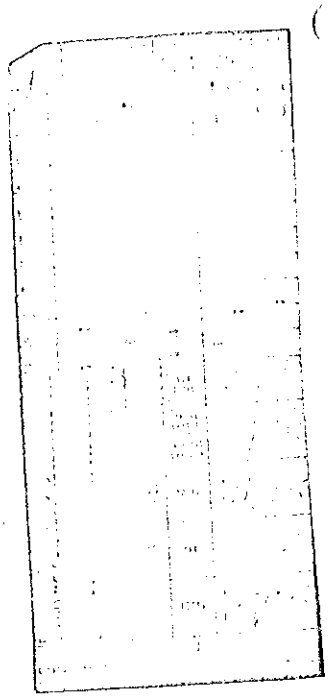
Sincerely,

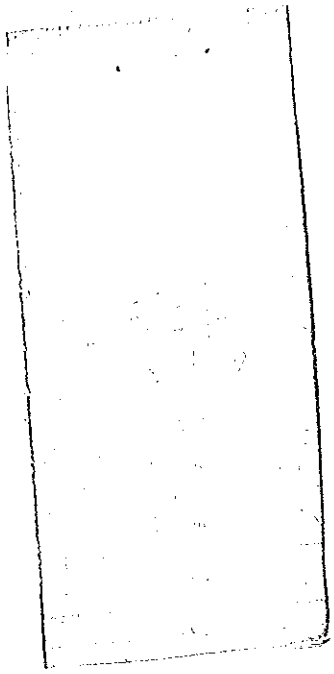
PLAYBOY CLUBS INTERNATIONAL, INC.

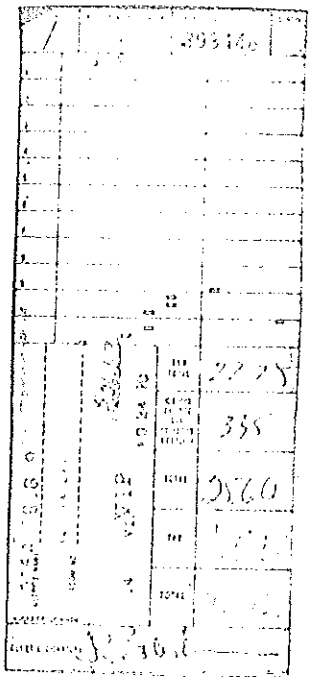
Marlene Klein
Office Manager
Customer Service Division

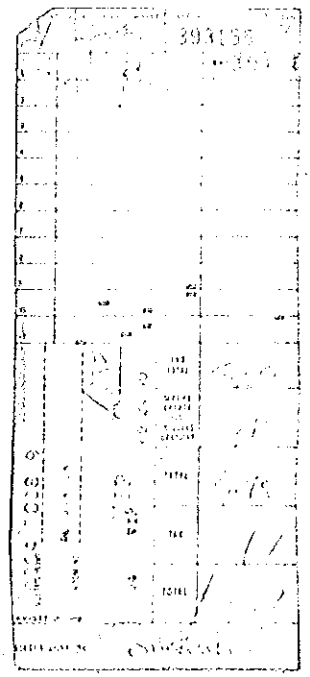
MPK/ml
enc.

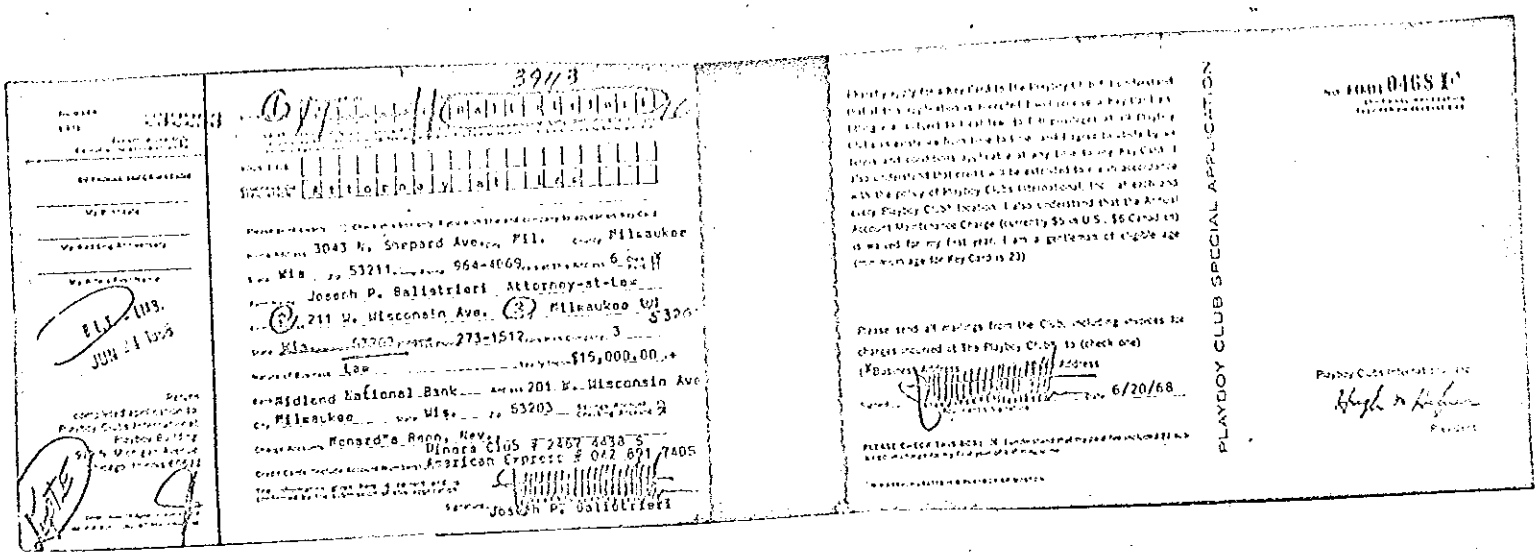












3943

Attorney at Law

3043 N. Shepard Ave. Mil. Milwaukee

Wis. 53211 964-4069 6

Joseph P. Balistrieri Attorney-at-Law

211 W. Wisconsin Ave. Milwaukee WI 53203

Wis. 53203 273-1512 3

Law $15,000.00

Midland National Bank 201 W. Wisconsin Ave

Milwaukee Wis. 53203

Menard's Reno, Nev.

Diners Club # 2467 4438 S

American Express # 042 691 7405

Joseph P. Balistrieri

Please send all mailings from the Club, including invoices for charges incurred at The Playboy Club, to (check one)

Business Address Address

6/20/68

PLAYBOY CLUB SPECIAL APPLICATION

No. 0468 IC

Playboy Clubs International, Inc.

Hugh M. Hefner

President

CONSOLIDATED
STATEMENT OF ACCOUNT

0364 7808 9
Key Number

Joseph P. Balistrieri
Keyholder's Name

PLAYBOY

DATE OF STATEMENT	REFERENCE	DATE	CLUB CODE	DESCRIPTION	CHARGES	CREDITS	BALANCE
1/27/70 Through 4/14/70	No Activity						
5/19/70		5/19		A.A.M.C.	$ 5.00		$ 5.00
6/16/70		6/03		Payment		$ 5.00	0.00
7/13/70 Through 8/11/70	No Activity						
9/07/70		9/01 9/01	L G L G	Club Charge Club Charge	22.72 15.55		38.27
10/09/70		9/24 9/24 9/24 9/25	L G L G L G	Club Charge Club Charge Club Charge Payment	17.37 3.59 26.62	38.27	47.58
11/08/70		10/28		Payment		47.58	0.00
12/08/70 Through 5/08/71	No Activity						
6/08/71		6/08		A.A.M.C.	5.00		5.00
7/08/71		6/28		Payment		5.00	0.00
8/08/71 Through 12/08/71	No Activity						

State of Wisconsin
Department of Revenue
Intelligence Section

SUBPOENA DUCES TECUM

STATE OF WISCONSIN

County of Milwaukee SS.

THE SECRETARY OF REVENUE TO: Playboy Clubs International Inc.
919 N. Michigan, Chicago, Illinois 60611

You are hereby required to appear before Dennis R. Ullman
a Special Tax Agent of the Wisconsin Department of Revenue, to give testimony relating to the tax liability of Joseph P. Balistrieri
1962 N. Prospect Avenue, Milwaukee, Wisconsin
For the period(s) January 1, 1968 through December 31, 1971 inclusive
and to bring with you and produce for examination the following books, records, and papers at the time and place hereinafter set forth:

1. Copy of credit card application of Joseph P. Balistrieri.
2. Copies of monthly statements and individual charge slips for any personal accounts of Joseph P. Balistrieri and/or business accounts which he is authorized to use, for the period January 1, 1968 through December 31, 1971 inclusive.

Place and time for appearance:
At District State Office Bldg., Rm 510, 819 N. 6th St., Milwaukee, Wis.
on the 25th day of September 1972, at 10:30 o'clock A. M.

Issued under authority of Sections 73.04(3) and 885.01(4) of the Wisconsin Statutes
this 29th day of August, 1972.

Signature Dennis Ullman
Special Tax Agent

September 5, 1972

Re: OC-6-86

Mr. Peter J. Pitchess
Sheriff
Los Angeles County Sheriff's Department
Hall of Justice
211 West Temple
Los Angeles, California 90012

Attention: Captain Clifford W. Montgomery, Intelligence Bureau

Dear Sir:

This Department is currently assisting the Wisconsin Department of Revenue in an investigation of possible State Income Tax evasion involving Attorney Joseph Balistrieri. Joseph Balistrieri is the son of Frank P. Balistrieri, alleged leader of the organized crime element in southeastern Wisconsin.

I have enclosed a subpoena Duces Tecum directed to C[redacted] B[redacted], [redacted], Los Angeles, California, 90054. Would you please attempt to obtain the information requested on the subpoena and forward it to this office. If the information can be obtained without the subpoena, that would be preferred. Unfortunately, the subpoena is not compelling outside of the State of Wisconsin, but may be helpful in obtaining the desired information.

Thank you for your assistance in this and previous matters and please be assured of our cooperation in all matters of mutual concern.

SEP 8 1972

Sincerely,

FRANK A. MEYERS
Director of Operations

RECEIVED

SEP 11 1972

HERBERT L. KRUSCHE
Assistant Director of Operations

GHH:ms
enc.

DCI	-		CIIC

OC-6-86

State of Wisconsin
Department of Revenue
Intelligence Section

SUBPOENA DUCES TECUM

STATE OF WISCONSIN

County of Milwaukee SS.

THE SECRETARY OF REVENUE TO: Carte Blanche 3460 Wilshire Blvd. Los Angles, California 90054

You are hereby required to appear before Dennis R. Ullman a Special Tax Agent of the Wisconsin Department of Revenue, to give testimony relating to the tax liability of Joseph P. Balistrieri 1962 N. Prospect Avenue, Milwaukee, Wisconsin

For the period(s) January 1, 1968 through December 31, 1971 inclusive

and to bring with you and produce for examination the following books, records, and papers at the time and place hereinafter set forth:

1. Copy of credit card application of Joseph P. Balistrieri.
2. Copies of monthly statements and individual charge slips for any personal accounts of Joseph P. Balistrieri and/or business accounts which he is authorized to use, for the period January 1, 1968 through December 31, 1971 inclusive.

Place and time for appearance:

At District State Office Bldg., Rm 510, 819 N. 6th St., Milwaukee, Wis.

on the 25th day of September 1972, at 10:00 o'clock A. M.

Issued under authority of Sections 73.04(3) and 885.01(4) of the Wisconsin Statutes

this 29th day of August, 1972.

Signature Dennis Ullman
Special Tax Agent

II-201 (R. 3-72)

County of Los Angeles
Office of the Sheriff
PETER J. PITCHESS, SHERIFF
Los Angeles, California 90012

#7-3115
151:Q

October 4, 1972

Wisconsin State Department of Justice,
Division of Criminal Investigation
Frank A. Meyers
Director of Operations
114 East State Capitol
Madison, Wisconsin 53702

Attention: Herbert L. Krusche
Assistant Director of Operations

Dear Director Meyers:

In reply to your inquiry of September 5, 1972, please find the enclosed information.

Please direct inquiries or replies regarding this letter to the Los Angeles County Sheriff's Department, Intelligence Bureau, 211 West Temple Street, Los Angeles, California 90012. Refer to file #7-3115.

You may be assured of our cooperation at all times in matters of mutual interest.

Sincerely,

PETER J. PITCHESS, SHERIFF

C. W. Montgomery

C. W. Montgomery, Captain
Intelligence Bureau

Enclosure

Information attached was turned over to Wisc. Dept of Revenue on 10/10/72 HKrusche

RECEIVED
OCT 13 1972

DCI			CIIC

OC-6-86

File: OC-6

5

DETAILS:

On November 8, 1972, S/A YOUNK examined a copy of monthly statement dated October 31, 1972, and copies of cancelled checks for Attorney JOSEPH P. BALISTRIERI'S trust account #01-21-8220 at the MIDLAND NATIONAL BANK, Milwaukee, and extracted the following:

Balance September 29, 1972: [redacted]
Credits during September, 1972:
Debits during September, 1972:
Balance October 31, 1972: None ([redacted] overdrawn)

Checks Cleared

Check No.	Date	Payee	Amount
816	10-9-72	FRANK P. BALISTRIERI	[redacted]
817	10-9-72	JENNIE ALIOTO	
818	10-27-72	JOSEPH BASILE	

(Indorsed "JOSEPH V. BASILE, For deposit only in Southridge National Bank - S[redacted] B[redacted] - [redacted].")

820	10-18-72	JOSEPH P. BALISTRIERI	[redacted]

(Deposited in JOSEPH P. BALISTRIERI'S account #01-20-6311 at MIDLAND NATIONAL BANK.)

821	10-18-72	B & B Collection Service, Inc.	[redacted]

On October 10, 1972, two checks, for [redacted] and [redacted] were deposited; these amounts are identical to those made payable to FRANK BALISTRIERI and JENNIE ALIOTO on October 9, 1972.

RECEIVED

NOV 15 1972

DCI

File: OC-6

5

DETAILS:

On February 7, 1973, Auditor RICHARD ARKENBERG examined a copy of monthly statement dated January 31 for Attorney JOSEPH P. BALISTRIERI'S trust account #01-21-8820 at the MIDLAND NATIONAL BANK, Milwaukee, and extracted the following:

Balance December 29, 1972: [redacted]
Credits during January 1973:
Debits during January 1973:
Balance January 31, 1973:

Checks Cleared

Check No.	Date	Payee	Amount
829	1-09-73	FRANK BALISTRERI	[redacted]
(Check indorsed FRANK BALISTRERI, Wis. driver license [redacted] Identified through check of D/L as FRANK A. BALISTRERI, born [redacted], W/M, 6', 150 lbs., brown eyes, black hair, of 110 West Wisconsin Avenue, Oconomowoc, Wisconsin.)			
830	1-09-73	Joseph P. Balistrieri	[redacted]

On February 7, 1973, Auditor RICHARD ARKENBERG examined a copy of monthly statement dated January 31, 1973, for Attorney JOSEPH P. BALISTRIERI'S real estate trust account [redacted] at MIDLAND NATIONAL BANK, Milwaukee. The balance remained at [redacted] and there was no activity since the last cycle date.

RECEIVED
FEB 23 1973
MONTGOMERY JARVIS

RECEIVED
FEB 22 1973
DCI - CIIC

File: OC-6

5

DETAILS:

On February 7, 1973, Auditor RICHARD ARKENBERG examined a copy of monthly statement dated January 31, 1973, and copies of cancelled checks for Attorney JOSEPH P. BALISTRIERI'S checking account #01-20-6311 at the MIDLAND NATIONAL BANK, Milwaukee, and extracted the following:

Balance December 29, 1972: [redacted]
Credits during January 1973:
Debits during January 1973:
Balance January 31, 1973:

Checks Cleared

Check No.	Date	Payee	Amount
2430	12-29-72	MacArthur Square	[redacted]
2440	1-10-73	Continental Bank & Trust	
2436	1-08-73	J[redacted] G[redacted]	
(Pay to 1st Wis. Nat. Bank, J[redacted] G[redacted] Trust Account)			
2441	1-11-73	Joseph P. Balistrieri	
2432	1-04-73	Lawyers Title Insurance Corp.	
2457	1-22-73	Clerk of Courts - U.S. District	
2452	1-17-73	Joseph J. Krueger - City Treasurer	
(Satisfaction of personal property taxes on case C62-692 an			
2447	1-17-73	Franklin W. Clarke, Clerk of Supr. Ct.	
2448	1-17-73	R[redacted] M[redacted]	
(Pay 1st Wis. Nat. Bank, R[redacted] M[redacted])			
2454	1-17-73	Time Insurance Company	
2449	1-17-73	Lakeland Publishing Company	
(Farmers & Merchants Bank, Menomonee Falls)			
2473	1-09-73	Milco Process Service	
2423	12-22-72	American Express	
2434	1-05-73	Law Office Account	
2426	12-27-72	Joseph J. Krueger, City Treasurer	
2427	12-27-72	JACK WHITE FORD RENT-A-CAR, INC.	
2413	12-18-72	The Grande Flowers	
2431	1-04-73	The Grande Flowers	
2444	1-15-73	Catholic Knights Insurance Society	
2435	1-08-73	Sacred Heart School	

RECEIVED
FEB 22 1973
DCI - CHC

Check No.	Date	Payee	Amount
2438	1-09-73	American Automobile Association	[redacted]
2445	1-15-73	J[redacted] K[redacted]	
2446	1-15-73	The Whitehall	
2439	1-09-73	Milwaukee Athletic Club	
2443	1-15-73	Continental Bank & Trust	
2463	1-24-73	Joseph P. Balistrieri	
2456	1-19-73	JACK WHITE FORD	
2465	1-26-73	Milwaukee Police Department	
2464	1-24-73	Clerk of Circuit Court	
2451	1-17-73	Columbia Hospital	
2461	1-23-73	Paul Brickson Construction Inc.	
(1st. Nat. Bank of Waukesha, Account [redacted]			
2450	1-17-73	Milwaukee Bar Association	
2442	1-15-73	The Variety Club of Wisconsin, Inc.	
2458	1-22-73	Standard Oil Division	
2459	1-23-73	American Express	

Deposits

Deposit No.	Date	Included in Deposit	Amount
2644	1-09-73	[redacted]	[redacted]
2645	1-23-73		[redacted]

RECEIVED
FEB 22 1973
COMMUNICATIONS DIVISION

CASE ACTIVITY REPORT
DJ-DCI-25 (Rev 4/73)

Page ____ of ____ pages

WISCONSIN DEPARTMENT OF JUSTICE
Division of Criminal Investigation
123 W. Washington Ave.
Madison, Wisconsin 53703

Date: Sept. 10, 1973

Case No.: OC-6

INVESTIGATORS: RESEARCH ANALYST THOMAS P. WALKNER TPW

SUBJECT OF INVESTIGATION: JOSEPH BALISTRIERI

On Sunday, September 2, 1973, Research Analyst THOMAS WALKNER and his wife attended a Milwaukee Brewers baseball game with three other couples. Two of these couples were well known to Research Analyst WALKNER and his wife, while the third couple, HARRY J. DELANEY and his wife, 1933 S. 55th Street, West Allis, Wisconsin, were introduced for the first time to the WALKNER'S. HARRY DELANEY was introduced as the public relations man for Channel 18 in Milwaukee.

After the Brewer's game the same four couples drove to the residence of HARRY DELANEY for drinks and conversation.

During this social gathering many topics were discussed including a conversation of good places to go for drinks and dancing in the Milwaukee area. During this conversation, HARRY DELANEY stated that he had a chance to do some promotional work for ANTHONY T. MACHI, (owner of the MEET MARKET, 753 N. 16th Street and TEDDY'S, 1434 N. Farwell, Milwaukee), but didn't want to get involved with him because he was a member of the "mafia". DELANEY then asked if everyone knew about the recent accident that involved JOE BALISTRIERI, son of Milwaukee mafia boss FRANK BALISTRIERI, who had been run over by orders of the Chicago mob.

At this time, Research Analyst WALKNER stated that he worked for the Wisconsin Justice Department and as far as he knew, this was a legitimate accident. DELANEY then stated that he had heard that the Chicago mob was trying to get even with the BALISTRIERIS for the LOUIE FAZIO killing and had ordered this "accident" to happen. DELANEY also stated that the driver of this accident vehicle actually jumped the curb to get to BALISTRIERI.

Although DELANEY appeared to be sincere about this subject, it was felt by Research Analyst WALKNER that this information was hearsay and this topic of conversation was dropped.

RECEIVED
SEP 12 1973
DCI CIIC

OC-6-128

NEWSPAPER CLIPPING
DJ-DCI-43 (Rev. 6/73)

WISCONSIN DEPARTMENT OF JUSTICE
DIVISION OF CRIMINAL INVESTIGATION

Balistrieri Claims Telephone Bugged

By WILLIAM JANZ

Atty. Joseph P. Balistrieri is "almost 100% certain" that telephones in his home and office are being bugged by investigative agencies for the state or federal governments, he said Tuesday.

Asked why he thought government agents would tap his lines, he replied, "Because I'm Frank's son. For some reason they believe we're not very nice people.

"It started with that crazy statement on the Senate floor and it's a myth that's perpetuating itself."

He was referring to the fact that a United States senator once said that Balistrieri's father, Frank P., was a member of "one of the principal families" in organized crime.

Besides being an attorney, the younger Balistrieri also is a court commissioner, who has the powers of a judge in chambers.

He said government bugging was "like a cancer eating away at the foundations of the (legal) system.

The big ear, the giant ear is here."

Balistrieri made the charges after his telephone conversation with a reporter was interrupted by a loud humming noise on the line. After the call was replaced, Balistrieri said that he had had frequent problems such as buzzing noises and interrupted service with the six telephone lines in his office and at his home phone.

"I don't know who's doing it, the federal or the state, but if it's the state, they're in trouble."

He said that state agencies were prohibited from tapping the lines of lawyers.

Investigators are not "going to admit it," Balistrieri said. "They're doing it probably without order and without authorization."

[Peter Peshek, head of the criminal prosecution unit for the State Justice Department, declined to comment when asked about Balistrieri's allegation.

[Herbert E. Hoxie, special agent in charge of the Milwaukee FBI office, was out of town and could not be reached for comment. His chief assistant, Edgar N. Best, also could not be reached for comment.]

Atty. Joseph P. Balistrieri

Balistrieri mentioned that the office of Atty. Dominic H. Frinzi, a friend who has represented Frank Balistrieri, was bugged by federal agents in 1963.

After the bugging was discovered four years later, government attorneys admitted that Frinzi's office telephones were tapped "because of his association with prominent Milwaukee hoodlums and in an effort to develop information bearing on a gangland murder."

Frinzi, a widely known attorney, sued and reportedly received an out of court settlement in the case.

"They'll do it until they're caught," Balistrieri said.

In bugging an attorney's office, agents are breaking into the private relationship existing between a lawyer and his client, he said.

"By what authority do they have to intervene?" he asked. "No where on earth is there this kind of authority."

Balistrieri said that in the 1960s he found a bug that had been planted in his father's office.

For several years the younger Balistrieri has been the public spokesman for the Balistrieri family. He has spoken out on what he consider the harassament of his family by investigative agencies and the press.

RECEIVED
APR 22 1974

COMMENTS:

DATE: April 10, 1974
PUBLICATION: Milwaukee Sentinel

	O.C.	V.A.	S.A.	D.D.	A.T.	F.M.
COORDINATION:	XX					

SUBMITTING UNIT: Milwaukee D.C.I.
CIIC FILE NUMBER: OC- 6 - 148

NEWSPAPER CLIPPING
DJ-DCI-43 (Rev. 11/74)

WISCONSIN DEPARTMENT OF JUSTICE
DIVISION OF CRIMINAL INVESTIGATION

Teamsters Lent Lococo Millions

By David B. Offer
of The Journal Staff

Underworld figure Andrew Lococo borrowed $2.5 million from Teamsters Union pension funds in 1970 and 1971 with the help of Milwaukee Atty. Joseph P. Balistrieri, according to papers filed in a California court.

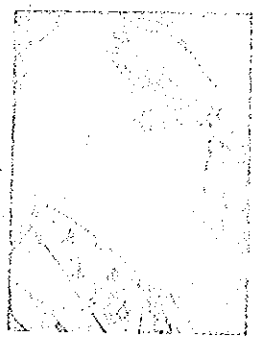
Balistrieri is seeking $225,000 for arranging the loans from the Central States, Southeast and Southwest Area Pension Funds. He claims that Lococo paid him $25,000 before his death in November of 1973 and that the rest of the money is due from his estate under terms of an agreement signed by Lococo.

While the legal papers do not provide details, it is believed that Lococo used the money to finance construction of a tuna fishing boat that was built for him in Sturgeon Bay.

After Conviction

Balistrieri's claim indicates that the first two of three Teamster loans for $2,250,000 were made to Lococo on July 24, 1970 — about three months after he was convicted of lying to a federal grand jury about

Turn to Loans, page 23, col. 1



Andrew Lococo

Joseph P. Balistrieri

RECEIVED
JAN 17 1975

DCI			CIIC

COMMENTS

DATE January 5, 1975
PUBLICATION Milwaukee Journal

	O.C.	V.A.	S.A.	D.D.	A.T.	F.M.
COORDINATION	X					

SUBMITTING UNIT Milw. D.C.I.
DCI FILE NUMBER [redacted] OC-6-153

Loans

Teamsters Lent Money to Lococo

From page 1

conversations with Milwaukee gambling figures.

The third loan, for $250,000, was made on Feb. 4, 1971, according to Balistrieri's claim.

The question of links between Lococo, Balistrieri and the Teamsters Union was raised by the prosecution in the 1970 prejury case against Lococo. At that time, in a memo filed with the court in connection with the sentencing of Lococo, the government claimed that Frank P. Balistrieri, Joseph's father, was a close friend of Lococo and of Frank Ranney, a trustee of the pension fund. Ranney is a former Milwaukee labor leader.

Lawmen called Lococo organized crime's major link between gambling in Los Angeles and Milwaukee.

Close Relationships

The prosecutor called the relationship between Frank Balisterieri and Ranney close and termed the friendship between Lococo and Frank Balistrieri "an extremely close one involving numerous financial ties."

It was also asserted in the memo that Joseph Balistrieri was "used as a cover to conceal his father's interest in various financial transactions."

The prosecutor's man claimed that Ranney interceded with a Milwaukee bank that had refused to lend $125,000 to Joseph Balistrieri in 1968. The bank agreed to grant the loan after the union agreed to deposit $500,000 there, the prosecutor said.

"It was readily apparent that Lococo was seeking to use Frank Balistrieri's influence to secure Teamster financing" for the expansion of his California nightclub, the prosecutor said.

Aided by Ballistrieri

He also said the government had "reliable information that (Frank) Balistrieri sought to assist Lococo in the financing of a $1 million tuna boat venture which was never consumated."

That statement was filed in court on May 20, 1970.

Less than 70 days later, Lococo was granted $2,250,000 by the pension funds according to the latest court documents.

At the time, Ranney denied that he influenced the bank to lend money to Joseph Balistrieri.

Ranney said the pension fund used only sound business reasons, supported by accountants and appraisers in determing which banks to use for its funds and investments.

The bank used in Milwaukee, the Continental Bank and Trust Co., had always been considered a "union bank" and was "operated by union minded management," Ranney said. This was the reason the union deposited money there, he said.

Denies Influence

Ranney said no bank officer would make a loan to Joseph Balistrieri or anyone else on the basis of a 90 day certificate of deposit from the union.

Ranney said his long friendship with the Balistrieri family had nothing to do with the pension funds and that "no loan from the fund has ever been made to any Balistrieri."

This statement was made on June 3, 1970, a time when Balistrieri's documents indicate that he was in the midst of negotiating on Lococo's behalf.

The first document filed with Lococo's estate, dated March 19, 1974, included a bill for $225,000 in attorney fees "for procuring a loan according to the terms of the agreement attached hereto."

The bill said the work of procuring the loan was done between Nov. 11, 1968, and Feb. 4, 1971.

The agreement attached to the claim is signed by Balistrieri and Lococo but is not dated.

The agreement stated that "whereas through the efforts and endeavors of Joseph P. Balistrieri a loan is secured from the Central States, Southeast and Southwest Areas Pension Fund for Lococo, that party hereby agrees . . . to pay to Balistrieri an amount equal to 10% of the gross amount of the loan so secured."

Claim Rejected

According to the court records, Lococo's wife, who is executrix of her husband's estate, rejected the claim by Balistrieri on July 12, 1974.

Balistrieri filed a suit against the estate on Oct. 15, 1974, stating that he had "performed all agreements, conditions, covenants and promises" and that he deserved to be paid.

An official of the Marine Fisheries Services told Overdrive Magazine in 1972 that Lococo had sought a government guaranteed loan to build the boat and that the application had been rejected in 1969. Overdrive is a truckers magazine not connected with the Teamsters Union.

The boat was launched in August of 1972 and Lococo was released from prison to be on hand for the ceremony at Sturgeon Bay. The ship is registered in Puerto Rico.

Officials of the Fund refused to discuss the case when called Friday and neither Ranney nor Joseph Balistrieri could be reached.

Central States Pension

The total amount of money in the Central States Pension Fund is unknown but has been estimated at about $1.5 billion. The money is paid into the fund by employers who are covered under Teamsters Union contracts. The employers pay about $14 for each employe each week.

NEWSPAPER CLIPPING
DJ-DCI-43 (Rev. 11/74)

WISCONSIN DEPARTMENT OF JUSTICE
DIVISION OF CRIMINAL INVESTIGATION

Pinball Sales Trigger Suit

By Stephen L. Castner
of The Journal Staff

A firm in Kuwait said a Milwaukee export company promised to send it new pinball machines, but that the machines that arrived in the Middle East were used and in bad repair.

Some officers of the Milwaukee company are native Arabs and claim they find it difficult to talk about their business dealings because they speak English poorly.

Joseph P. Balistrieri, Atty. was listed as a director and secretary of the Milwaukee firm on a document he apparently signed, although he has denied that he is a director of the company.

And there was a flood in the basement where the Milwaukee company kept its records, destroying minute books of director meetings and other papers.

Those are some of the puzzling events that surround the American International Overseas Corp. of Milwaukee and the persons who have been connected with it.

Balistrieri denied that he was a director of American International after the company was accused of fraud.

A document in the office of the Wisconsin secretary of state lists Balistrieri as a director and secretary of the company in November of 1970. The record, a certificate of newly elected officers, bears what appears to be the signature of Balistrieri.

An import company in Kuwait sued American International in July of 1972 in Federal Court here, claiming that the Milwaukee company made misrepresentations in the sale of 44 pinball machines.

Lloyd's Opinion

American International promised to sell new machines, but those received in Kuwait were in used condition, according to an appraiser from Lloyd's of London.

Balistrieri has represented American International in the lawsuit.

In a statement taken last November from the American International president, Khalil H. Nasr, Balistrieri denied that he ever had been a director of the company. Balistrieri was attending the session in his capacity as attorney, and was not under oath.

In a later deposition, however, Nasr testified under oath:

"I never saw that he's an officer. How he came to be an officer, I don't know."

Son of Frank

Joseph Balistrieri is the son of Frank P. Balistrieri. Frank Balistrieri was convicted of tax evasion in 1971 and was called to testify before a federal grand jury investigating organized crime in Miami in 1973.

Also listed as an original officer of American International was Fahmi (Sam) Khatib, the operator of Sam's Stereo Mart, Inc., 5040 W. Fond du Lac Ave., and A-1 Uptown Service, Inc., 1951 W. Capitol Dr.

US marshals have not been able to locate Khatib to serve him with a subpena to testify in the case.

Khatib told a reporter ear-

Turn to Pinballs, page 8, col. 2

RECEIVED AUG 15 1975

COMMENTS

DATE July 24, 1975

PUBLICATION Milwaukee Journal

COORDINATION	O.C.	V.A.	S.A.	D.D.	A.T.	F.M.
	X					

SUBMITTING UNIT Milwaukee Office

DCIR FILE NUMBER OC-6-167

Pinballs

Kuwaitis Complain About Purchase

From page 1

lier this year that he had been vice president of American International, but that he resigned. He explained:

"Nasr was in town and came to see me. He said he had contacts in the Middle East. He wanted to sell swimming pools and other things.

"All Talk"

"But he was all talk. We don't do business that way around here. I fed him for two months."

Khatib refused to answer further questions.

"If you have any more questions go see Joe Balistrieri, my attorney," he said.

Soon afterward, Khatib placed his Sam the Stereo Man operation in receivership in Milwaukee County Court. The physical assets were auctioned last March for $22,559. Claims filed by creditors total $287,766.

The full story of the dealings between Balistrieri, Nasr and Khatib may become known only if the American International lawsuit reaches trial.

Filed in 1970

Balistrieri filed the articles of incorporation for American International in May of 1970, listing Khatib as registered agent. The address was the same as for A-1 Uptown Service.

The November, 1970, listing of officers was the first record showing the names of all three men together.

All three again were listed on the April, 1971, annual report, signed by Khatib. The address listed was the same as for Nasr's residence, 7039 N. Teutonia Ave. The company has failed to file reports for subsequent years.

The Kuwait company made a deal to buy pinball machines from American International in May of 1971, the month after the annual report was filed bearing Khatib's signature.

Although the records show that Khatib was an officer and director for more than four months, Nasr testified under oath that Khatib "quit after the first two weeks."

American International paid $20,000 to buy the machines in June of 1971 from Empire Distributing, Inc., of Chicago. The Kuwait company paid $69,492 to the Milwaukee company before receiving the shipment and finding the machines were used.

Other information about American International is sketchy because company books were destroyed.

No date is set for the trial, which is to be held before Judge Robert W. Warren Jr.

OC-6
Page 2 of 2
7/24/75

CASE ACTIVITY REPORT
DJ-DCI-2 (Rev. 4/74)

Wisconsin Department of Justice
DIVISION OF CRIMINAL INVESTIGATION

1. Case Number	2. Date	3. Case Title
OC-318	8-14-75	DANE COUNTY JOHN DOE

4. Activity	5. Date of Activity
Court Appearances	August 13, 1975

6.

On August 13, 1975, Attorney JOSEPH P. BALISTRIERI, with counsel, Milwaukee Attorney NICHOLAS C. CATANIA, appeared at the Dane County John Doe hearings under subpoena served earlier this month. Representing the State were Assistant Attorneys General PETER A. PESHEK and FREDERICK ERHARDT. Also present was Special Agent ALFRED F. SUHR.

Attorney BALISTRIERI was sworn in by the court and also given the secrecy admonishment. Prior to BALISTRIERI'S testifying, Attorney CATANIA requested of the court to be able to make some comments. Attorney CATANIA stated that his client, BALISTRIERI, was appearing voluntarily; however, that CATANIA'S client did not believe that the subpoena was valid since it was served in Milwaukee County and was a Dane County subpoena. In response to CATANIA'S comments, Assistant Attorney General PESHEK argued to the court that if Attorney BALISTRIERI wished to make a motion to suppress or squash the subpoena, then this should be done in open court. Assistant Attorney General PESHEK emphasized that there should be nothing on the record that is not in accordance with the Wisconsin Statutes since should any of this in the future reach the appelate stage, the record would be fuzzy. At that point, Attorney BALISTRIERI had a short conference with his attorney, CATANIA, and Attorney BALISTRIERI stated that he appeared voluntarily and there was no motion to suppress.

Assistant Attorney General ERHARDT had MR. BALISTRIERI cite his name and then give his addresses: Attorney BALISTRIERI said he was residing at 1961 North Summit Avenue, Milwaukee, with legal residence at 3043 North Shepard Avenue, Milwaukee, with a business address of 212 West Wisconsin Avenue, Milwaukee. His occupation was attorney at law.

The first question asked by Assistant Attorney General ERHARDT of BALISTRIERI was for BALISTRIERI to relate to the court any conversations or dealings he has had at any time within the last six years in the State of Wisconsin regarding the borrowing of monies from any source by or on behalf of LEO W. ROETHE. Attorney BALISTRIERI claimed that he had represented ROETHE and therefore was claiming the attorney/client privilege. There was some discussion by the court and by Assistant Attorney General PESHEK when a slight recess was held. After the recess, the court informed Attorney BALISTRIERI that it did not believe that a true attorney/client

7. Agents

Special Agent Alfred F. Suhr

RECEIVED AUG 25 1975

This document contains neither recommendations nor conclusions of the Division of Criminal Investigation, Wisconsin Department of Justice. It is the property of this Division and is loaned to your agency. Its contents are not to be distributed outside your agency.

OC-6-170

relationship existed since the court was in possession of other testimony that would lead to the contrary. The court then asked MR. BALISTRIERI several questions to which he replied as follows:

Attorney BALISTRIERI: I was paid no retainer fee by MR. ROETHE. I was retained either in late 1972 or early 1973 by him. I believe my services to him have been terminated; however, I cannot recall the specific date. I do recall that I had conversations in 1973 with ROETHE regarding my professional services.

Attorney BALISTRIERI stated that if MR. ROETHE would waive his privilege, then Attorney BALISTRIERI would be more than willing to comment on any questions asked of him regarding his association with ROETHE.

At this point, the court directed Attorney BALISTRIERI to return to the court at 1:30 p.m., August 27, 1975, and bring with him evidence of any retainer, fees, or any other evidence deemed necessary to prove the attorney/client relationship. MR. BALISTRIERI was then excused.

FRANK P. BALISTRIERI was then called as the next witness. He was represented by his sons, JOSEPH and JOHN BALISTRIERI, both attorneys. MR. BALISTRIERI was placed under oath at which time Assistant Attorney General PESHEK requested of the court that FRANK BALISTRIERI also be ordered to return on August 27, 1975, and not give testimony on this date since the court did not hear the testimony of the first witness (JOSEPH BALISTRIERI), which was essential to be heard prior to FRANK BALISTRIERI'S testifying. The court so ordered FRANK P. BALISTRIERI to return at 1:30 p.m., August 27, 1975.

The John Doe hearings were then adjourned until August 27, 1975.

AFS.ms

NEWSPAPER CLIPPING
DJ-DCI-43 (Rev. 6/73)

WISCONSIN DEPARTMENT OF JUSTICE
DIVISION OF CRIMINAL INVESTIGATION

Balistrieri linked to Teamster fund

By JACK ANDERSON
News Staff Writer

"Of course, you don't have to be a mobster or an insider to borrow money from the (Teamsters) Central States (Pension) Fund," the Wall Street Journal said on July 23, 1975. "But if you aren't one, it can help to use an influential intermediary such as Allen Dorfman."

Dorfman an Eagle River man, is apparently not the only "influential intermediary" in Wisconsin, according to secret John Doe testimony made public Thursday in Madison.

The Associated Press said today that testimony by Fort Atkinson businessman Leo W. Roethe claimed that Milwaukee attorney Joseph P. Balistrieri once advised Roethe how he might seek a $10 million loan from the Teamsters fund.

In a civil matter earlier this year, Roethe testified he sought a $10 million loan from the Teamsters in 1973 to consolidate debts. Federal authorities have identified Balistrieri and his father, Frank P., as associates of Frank Ranney, a pension fund trustee.

According to the newly released Doe testimony, Roethe viewed Balistrieri as a Teamster intermediary. "He was representing them -- not representing me. He was representing the Teamsters Central States Pension Fund."

In that capacity, Roethe testified; "He -- Balistrieri -- told me though at one time that -- what I had to do to get the money. I mean he gave me -- he is the man that instructed me as to what I had to do -- I had to come up with 15 per cent commission ($1.5 million) or 15 per cent participation from the banks in order to get the loan."

On Wednesday, Balistrieri was ordered to show cause why he should not be held in contempt of court for refusing to testify at the Doe about any dealings he had "regarding the borrowing of moneys from any source, by or on behalf of Leo W. Roethe."

Balistrieri, in refusing to answer, claimed an attorney-client privilege. The released Roethe testimony will be used in the contempt action to dispute the privilege claim.

"I never paid (Balistrieri) anything," Roethe testified, "and I never hired him...all I know is that I did talk to him about this loan, and he was helpful; he was very hlpful."

WHY NOT DORFMAN?

Why didn't Roethe deal directly with Dorfman, the man who was the top pension consultant from 1955 until 1972, when he was convicted of taking a kickback for arranging a loan from the fund?

The opportunity for such a meeting could have been early in 1973 when their paths crossed.

Eagle River is the place to meet Dorfman in Wisconsin. He owns the 163-acre Jack O'Lantern Lodge there, which is reportedly his joint investment with former Teamster boss James R. Hoffa. A 1959 report by a U.S. Senate investigator claimed the two men bought the property for $100,000.

If the place is Eagle River, the time is January on the weekend of the nation's biggest snowmobile races. Dorfman was a snowmobile enthusiast. He formed his own

COMMENTS:

DATE: August 29, 1975
PUBLICATION:

	O.G.	V.A.	S.A.	D.D.	A.T.	F.M.
COORDINATION:						

SUBMITTING UNIT: Milw. D.C.I.
CIIC FILE NUMBER: OC-6-172

Balistrieri linked to Teamster fund

snowmobile racing team in 1969 and built it to 20 sleds -- one of the largest private teams in the nation.

While hosting the press party for the 1972 races at his lodge, he told a Chicago reporter, "I'm going to be the biggest snowmobile racer in the world."

On the third weekend in January, 1973, as the races got underway, Roethe traveled to Eagle River for meetings aimed at providing funds for his floundering ventures Meeting with him were John T. Stone, head of a series o failing recreational firms; investors in the Stone firms and bankers.

Stone has testified under oath how he and his group go together with the Fort Atkinson businessman. "(Roethe was first introduced to us actually by Mr. (James Rosenheimer, who was aware of these concepts and, wel he said, 'Here is a man who is a multimillionare, whos life is devoted to outdoor recreation and who can be tremendous help."

Anybody interested in obtaining some of the $400 millioi per year that teamsters pay on their pensions woulc certainly want to talk to Dorfman.

According to the late Robert Kennedy, the Hoffa-Dorfman tie began in the late 1940s when Allen's father, Paul, helped Hoffa expand his power from Detroit to Chicago.

The elder Dorfman was a close associate of Chicago mobsters dating back to Al Capone, Kennedy told a Senate antiracketeering committee in 1959. He was also a top official in the Chicago Waste Material Handlers union until the AFL-CIO removed him, charging misuse of funds.

In 1950, Hoffa rejected a low group insurance bid for his union and gave the business instead to Allen's Union Casualty Co. Premiums reportedly ran $10 million per year. An insurance expert told Senators in 1958 that Dorfman's rate of commission was three and four times normal and he often personally picked up premiums for union officials.

About $2 billion has flowed into the pension fund in the past two decades. Among the more interesting loans are $57 million to Rancho La Costa, a Southern California resort and land development with strong underworld ties; and $200 million in investments, largely in gambling operations, in Nevada.

According to the Wall Street Journal, mob associate Andrew Lococo borrowed $2.5 million from the fund from 1969 to 1971.

"The money was borrowed in the name of the Cockatoo Motel, a Los Angeles nightclub Mr. Lococo owned," the Wall Street Journal said. But the paper cited Justice Department sources who said much of the money went to finance a large fishing boat built at Sturgeon Bay.

An affidavit filed in Federal Court in Los Angeles in 1970 alleged that Lococo attempted to use Balistrieri's influence to obtain Teamster financing for his hotel and restaurant in California.

The late Lococo was convicted at various times of burglary,larceny and perjury. During his perjury trial, a government attorney identified Steve DiSalvo of Milwaukee as a bookmaker and member of the Mafia.

At the time Rosenheimer introduced Roethe to Stone and his friends, the former area banker was listed as a corporate officer with DiSalvo in Universal Builders, Inc., the firm which has been a subject of the West Bend John Doe.

Both Rosenheimer and DiSalvo have testified at the Doe and face respective banking and contempt of court actions growing out of the investigation.

Whether Roethe actually talked to or met Dorfman is an unanswered question. Despite the fact that his kickback conviction in 1972 ended his official $75,000-per-year consultant role with the Teamster fund, Dorfman remained a key person.

Even today, the Wall Street Journal said, Dorfman "at least socially...remains where he has been for many years, at the hub of a circle of insiders that has benefitted greatly from the $2 billion or more that the fund has taken in since it was formed 20 years ago."

Page 2
August 29, 1975

NEWSPAPER CLIPPING
DJ-DCI-43 (Rev. 11/74)

(ISCONSIN DEPARTMENT OF JUSTICE (
DIVISION OF CRIMINAL INVESTIGATION

Griffin Ignores Balistrieris' Plea

Despite pleas by two sons of Frank Balistrieri, Ald. Edward Griffin asked Tuesday for reconsideration of a liquor license application of a man renting the Shorecrest Bar from Atty. Joseph Balistrieri.

The Common Council sent the application of Anthony C. Cimino, 27, for a license to operate the bar in the Shorecrest Hotel, 1962 N. Prospect Ave., back to the Utilities and Licenses Committee.

The committee had voted approval, but Griffin said after the meeting that he was not satisfied with police investigation of the application.

Before the council meeting Tuesday, Joseph and John Balistrieri visited Griffin in the aldermanic offices in City Hall. Griffin told a reporter that, in a meeting that lasted about 10 minutes, Joseph had said he was "very disappointed in Griffin and urged that the license be approved immediately.

Cimino had been a student at the University of Wisconsin — Milwaukee until this year and is renting space from Balistrieri for the bar for $1,500, according to his application.

Police investigation showed that Cimino had no arrest record.

Griffin said he told the Balistrieris that citizens had a right to know how a tavern would be run and who was backing it. The brothers complained that they were being harassed, Griffin said.

Generally, new applicants for liquor licenses contact their aldermen about applications. Griffin said Cimino had not contacted him.

Griffin said he asked the city's license clerk, Helmund Wolf, to double check Cimino's application.

Frank Balistrieri's name has been linked to many tavern operations run by friends and relatives.

RECEIVED SEP 24 1975

COMMENTS

DATE September 10, 1975
PUBLICATION Milwaukee Journal

	O.C.	V.A.	S.A.	D.D.	A.T.	F.M.
COORDINATION						

SUBMITTING UNIT Milwaukee Office
DCIR FILE NUMBER OC-6-173

CASE ACTIVITY REPORT
DJ-DCI-2 (Rev. 4/74)

Wisconsin Department of Justice
DIVISION OF CRIMINAL INVESTIGATION

1. Case Number	2. Date	3. Case Title
OC-6	10-09-75	JOSEPH "ATTORNEY JOE" BALISTRIERI

4. Activity	5. Date of Activity
Surveillance	October 8, 1975

6.

On Wednesday, October 8, 1975, at approximately 10:30 p.m., Regional Supervisor RICHARD LARSEN, and Agents RICHARD LUELL and WILLIAM LUNDY, and Milwaukee Police Officer RONALD MASILOWSKI entered the MGIC PLAZA, a bar located in the MGIC building, 270 East Kilbourn Avenue, Milwaukee, Wisconsin, while off duty.

Immediately upon entering, R/S LARSEN observed Attorney JOSEPH BALISTRIERI at the bar and advised Agents RICHARD LUELL and WILLIAM LUNDY, who are unknown to BALISTRIERI, of the situation and they dis-associated themselves from R/S LARSEN and Officer MASILOWSKI.

R/S LARSEN and Officer MASILOWSKI then went up to the bar across from Attorney BALISTRIERI and ordered a drink. In a few minutes, Attorney BALISTRIERI obviously noticed R/S LARSEN and Officer MASILOWSKI and he was seen to walk away from the bar area.

At that time, Agents LUELL and LUNDY were located near the men's room and they observed Attorney BALISTRIERI enter the men's room with an unknown subject. Agents LUELL and LUNDY followed and upon entering observed that Attorney BALISTRIERI and the unknown white male subject had entered the one stall in the men's room. Agent LUNDY went up to the stall and attempted to pull open the door, Attorney BALISTRIERI pulled it back closed. The Agents then positioned themselves next to the stall and could overhear no conversations because of music being piped into the men's room. In a short period of time, Attorney BALISTRIERI and the unknown white male subject left the stall and left the men's room. Agents LUELL and LUNDY followed them out and after they had passed an unknown waitress, Agent LUELL asked the waitress who the man with BALISTRIERI was as he had some business dealings with him at one time. The unknown waitress stated that the man with Attorney BALISTRIERI was C[redacted] M[redacted]. Agents LUELL and LUNDY then remained in the barroom as did officer MASILOWSKI and R/S LARSEN.

Attorney BALISTRIERI went back up to the bar and R/S LARSEN and Officer MASILOWSKI went over to converse with Attorney BALISTRIERI who was then talking to L[redacted], last name possibly R[redacted], and two other females as well as several other males. L[redacted] formely was a waitress at SALLY'S and presently employed as the Restuarant Manager at the TOWNE ROOM EAST which is operated by her uncle. L[redacted] is vaguely known to R/S LARSEN from high school. The other two girls with L[redacted] are also employed as waitresses at the TOWNE ROOM EAST.

RECEIVED OCT 13 1975

Richard Larsen, R.L. Agents Richard Luell and William Lundy

contains neither recommendations nor conclusions of the Division of Criminal Investigation, Wisconsin Department
e property of this Division and is loaned to your agency. Its contents are not to be distributed outside your

____ pages

OC-6-175

R/S LARSEN and Officer MASILOWSKI then conversed with Attorney JOSEPH BALISTRIERI and the conversation was friendly in nature and tone. BALISTRIERI made several references as to being off duty and said off duty conversation should be forgotten. While talking to BALISTRIERI, he stated he was a witness at the John Doe in Madison today and added nothing more regarding that. Several things were talked about including why Attorney DONALD EISENBERG represented FRANK BALISTRIERI when he sued various Departments of Justice and DCI personnel several years back, and Attorney BALISTRIERI stated that his father, FRANK BALISTRIERI, wanted him to take that case but he knew it was a loser and told him so. That evidently is the reason FRANK BALISTRIERI retained DONALD EISENBERG to represent him. Attorney BALISTRIERI also stated that he was making no money at the SHORE CREST HOTEL which he owned. Conversation was also had regarding a time that Attorney BALISTRIERI represented JOE "BABY JOE" BALISTRIERI in a case that R/S LARSEN was involved in regarding the service of a subpoena on BABY JOE BALISTRIERI while at their grandfather's funeral. Attorney BALISTRIERI stated that he really was upset with the way DCI conducted themselves at that funeral especially when we were conducting surveillances from a truck. He mentioned E. MICHAEL GUERIN by name and indicated that he was upset with GUERIN who had been a friend of his for conducting that surveillance. At approximately that time, E. MICHAEL GUERIN came into the MGIC PLAZA with his wife and Attorney FRANK GIMBEL and another woman and upon seeing them, Attorney BALISTRIERI stated to R/S LARSEN, I hope you don't say anything, comments made like this should not be repeated. R/S LARSEN stated that he would say nothing to GUERIN regarding that matter.

While talking to Attorney BALISTRIERI, R/S LARSEN asked him if he had ever written to the FBI under the Freedom of Information Act and found out what they had in their files about him. BALISTRIERI stated that he did and R/S LARSEN asked what they had replied. BALISTRIERI stated, "son of local LCN Chief."

While talking to Attorney BALISTRIERI on many occasions Officer MASILOWSKI and R/S LARSEN talked to some other people who were around the area that BALISTRIERI was in and BALISTRIERI talked to many other people while R/S LARSEN and Officer MASILOWSKI were in the area. These people for the most part cannot be identified; however, at least two are attorneys that R/S LARSEN knows by sight.

R/S LARSEN and Office MASILOWSKI and Agents LUNDY and LUELL left at approximately 11:40 p.m., and Attorney BALISTRIERI was still present at the bar.

RL:ea

COMPLAINT FORM
DI-DCI-1 (Rev. 4/74)

1. Case Number	2. Date	3. Nature of Complaint
OC-7	6-22-74	Intelligence Collection

4. Complaint Received (Date – Time)	5. ☒ in person ☐ mail ☐ telephone	6. By (Agent)
6-19-74		R/A Thomas P. Walkner

7. Investigation Requested By/Information Received From	8. Title
Director Herbert Krusche	OC Bureau

9. Address	10.
[redacted] Milwaukee, Wis. 53203	[redacted]

11. Subject of Complaint	12. ☒ Licensee Type/License
BRASS RAIL - RUDOLPH PORCHETTA	Class B

13. Address	14. County
744 North 3rd Street, Milwaukee, Wisconsin	Milwaukee

15. Facts of Complaint

On Sunday, June 16, 1974, the attached article appeared in the MILWAUKEE JOURNAL stating the probability the BRASS RAIL, 744 North 3rd Street, Milwaukee, Wisconsin, will reopen soon as a walk-in pizza parlor and delicatessen.

Current intelligence reveals that this premise is owned by JOSEPH BALISTRIERI. The liquor license formerly held at this location was held by RUDOLPH PORCHETTA. The issuance of this Class B liquor license was held in abeyance in November 1973 because PORCHETTA failed to pay Wisconsin sales tax and Milwaukee property tax.

In 1973, unconfirmed intelligence revealed that LCN figures throughout the country were attempting to open chains of pizza parlors using low paid Italian immigrants as tools to cut expenses and to hinder competition. This information has never been confirmed.

In recent months, two local associates of Milwaukee organized crime figures, F[redacted] S[redacted] and STEVE DiSALVO, have been seen at the BRASS RAIL during its remodeling.

For the above reasons, this case file has been reopened as a repository for intelligence information on the BRASS RAIL and RUDOLPH PORCHETTA. This case file was previously closed on May 31, 1973.

16. Comments/Recommendations

Assign to S/A Joseph Zaworski.

RECEIVED
JUN 26 1974

DCI		CIIC	

SIGNATURES – DATE

17. Agent: Joseph R. Zaworski

18. Bureau Director: Herbert L. Krusche

19. Administrator: 6/26/74

CIIC check for prior information: ☐ Negative ☒ Positive

Page 1 of 1 pages

TPW:so

OC-7-11

NEWSPAPER CLIPPING
WJ-DCI-43 (Rev. 6/73)

WISCONSIN DEPARTMENT OF JUSTICE
DIVISION OF CRIMINAL INVESTIGATION

Brass Rail Changing Hands Again

One of Milwaukee's great jazz spots of the '60s is undergoing yet another transformation.

The Brass Rail, 714 N. 2nd St., will probably open next week as a walk-in pizza parlor and delicatessen.

The spot once was host to such greats as Duke Ellington, Count Basie, Dave Brubeck, Buddy Rich and Gerry Mulligan when jazz was at its popularity peak.

"It was the great gathering place for jazz in Wisconsin," recalls a local jazz buff. "It was a small place, and the walls would almost bulge outward when a band like Ellington's played."

The Brass Rail achieved another sort of notoriety in the '60s, when it became a tavern that featured striptease dancers.

Isadore Porcelli, who had operated the tavern was slain in a still unsolved gangland style murder in 1960. His brother Irvin then operated it until 1968.

In 1967, the building in which the tavern is located was sold to Atty. Joseph Balistrieri.

In the late '60s, the tavern was operated by Rudolph Porchetta, an associate of Frank Balistrieri. Porchetta was involved in several court cases that dealt with licenses for the tavern.

Porchetta is listed as the owner of the Brass Rail on the permit to remodel the building that was issued by the city in April.

According to workmen at the restaurant, the new establishment will still be called the Brass Rail.

Neither Porchetta nor Joseph Balistrieri could be reached for comment.

COMMENTS:

DATE: June 16, 1974
PUBLICATION: Milwaukee Journal

	O.C.	V.A.	S.A.	D.D.	A.T.	F.M.
COORDINATION:	XX					

SUBMITTING UNIT: Milwaukee Office, DCI

CIIC FILE NUMBER: [illegible]

WISCONSIN DEPARTMENT OF JUSTICE
CRIMINAL DIVISION

Seraphim Dismisses Kings IV Charge

County Judge Christ T. Seraphim Thursday dismissed the latest charge involving the Kings IV, 720 N. Water St., because of what he called the state's unconscionable delay in bringing the case to court.

The charge of having a refilled bottle in the tavern was issued June 22, eight months after a state agent made the original investigation, against Peter Gaudesi, 41, of 3120 W. Wells St., who holds the license for the tavern.

It charged that on Oct. 6, state agent Elliott Giffen had taken a sample from a bottle labeled Old Taylor and that the sample did not match another sample of Old Taylor.

Seraphim wanted to know why it took eight months to issue the charges.

Dismissal Sought

Atty. Joseph P. Balistrieri, representing Gaudesi, moved for dismissal. He quoted the explanation that Giffen had given when the charge was issued — that it took eight months to find another bottle of Old Taylor.

He said: "Mr. Giffen has said they could not get a sample to compare with. Now we both know the absurdity of that position. Either one of us can get on the telephone and get as much Old Taylor as we want in a half hour."

Seraphim pressed Giffen further.

Giffen said that maybe the report was misfiled in the state crime laboratory in Madison and therefore there was a delay in issuing charges.

Questions Agent

Seraphim wanted to know why state agents hadn't pressured the lab to complete the report.

Giffen said: "Well, I just got too involved with many other things."

Kings IV has been plagued with licensing and legal difficulties in the last year. Its last application for a city tavern license was approved over objections from the attorney general and the Milwaukee Police Department.

A charge against Gaudesi of selling drinks without a state seller's permit was dismissed last November.

Atty. Gen. Robert W. Warren wrote to the Common Council's License Committee saying that the tavern was linked to Frank P. Balistrieri, now serving a year's sentence for income tax evasion.

RECEIVED

AUG 27 1971

DCI	-	CIIC	

Comments:

Date: August 12, 1971
Publication: Milwaukee Journal

	O.C.	NARC.	GEN.
Coordination:			✓

Submitting Unit:
CIIC File #: OC-P

OC-P-8

WISCONSIN DEPARTMENT OF JUSTICE
CRIMINAL DIVISION

Balistrieri Tax Charge Dismissed

Three criminal tax charges against Frank P. Balistrieri were dismissed Monday in Federal Court.

A fourth charge accusing Balistrieri, 54, and five other persons of conspiracy to hide Balistrieri's former ownership in the Kings IV, 720 N. Water St., was left standing.

The ruling came in a written decision by Federal Judge Myron L. Gordon on pretrial motions filed by defense attorneys for Balistrieri and other defendants.

Tax Forms at Issue

The dismissed charges alleged that Balistrieri had failed to file special tax forms required by the US Treasury Department for retail liquor dealers. The charges were in connection with the Kings IV.

Gordon ruled that Balistrieri could not be charged with a felony for allegedly violating the registration requirement. The judge said that the violations could only be charged as a misdemeanor.

The misdemeanor penalty is a $50 fine for each count. The maximum penalty for a felony would have been a $10,000 fine and five years in prison for each violation.

10 Count Indictment

The charges were in a 10 count indictment returned last November against Balistrieri; his son, Atty. Joseph P. Balistrieri, 31; Miss Jennie Alioto, 44, of 2440 N. Dousman St., a bookkeeper for Frank Balistrieri; Angelo Di Giorgio, 34, of 1821 N. Marshall St., a former licensee of the Kings IV; Miss Sue Bartfield, 31, of 2035 N. Lake Dr., a former manager and hostess there, and Peter Gaudesi, 41, of 7503 W. Stevenson St., a tavernkeeper.

The judge left standing charges that Di Giorgio and Gaudesi filed false income tax returns and special tax statements in 1969 and 1970 in connection with the Kings IV.

RECEIVED

JUN 23 1972

DCI			CIIC

Comments:

Date: 6-20-72
Publication: Milwaukee Journal

	O.C.	NARC.	GEN.	SPEC.
Coordination:	JK		O	
Submitting Unit:	Milwaukee Office			
CIIC File #:	OC	8	26	

WISCONSIN DEPARTMENT OF JUSTICE
CRIMINAL DIVISION

Dismisses 3 Balistrieri Case Counts

Three counts of a federal grand jury indictment returned against Frank P. Balistrieri, Milwaukee nightclub operator, were dismissed Monday by Judge Myron L. Gordon.

Only one count, charging conspiracy, remains against Balistrieri.

The indictment involved alleged concealment of the true ownership of the Kings IV, formerly located at 720 N. Water St.

In the three dismissed counts, Balistrieri was charged with failing to file with the Treasury Department special tax forms required for operation of a retail liquor business.

Gordon's dismissal of the counts pointed out that the penalty provision dated in the indictment did not fit the offense provision.

"Mr. Balistrieri's failure to register could be charged as a misdemeanor (punishable by a $50 fine) . . . but not as a felonly punishable by five years in prison and a $10,000 fine)," the decision said.

Balistrieri, 53, of 3042 N. Shepard Ave., and five others are named in the conspiracy count of the indictment.

The others are his son, Atty. Joseph P. Balistrieri, who has been granted a separate trial, Miss Jennie Alioto, 45, of 2440 N. Dousman St.; Miss Susan Bartfield, 31, of 2035 N. Lake Dr.; Angelo Di Giorgio, 34, of 1821 N. Marshall St., and Peter Gaudesi, 41, of 7503 W. Stevenson St.

Despite legal insufficiency found by Gordon in portions of the conspiracy count, the decision said the count adequately states a violation of the law.

The indictment, returned last November, was the result of co-ordinated efforts of the Justice Department's Chicago Strike Forceon Organized Crime and the organized crime section of the State Department of Justice's Division of Criminal Investigation'

RECEIVED

JUN 23 1972

DCI			CIIC

Comments:

Date: June 20, 1972
Publication: Milwaukee Sentinel

	O.C.	NARC.	GEN.	SPEC.
Coordination:	JR		✓	

Submitting Unit: Milwaukee, WI

CIIC File #: OC - 8 - 27

WISCONSIN DEPARTMENT OF JUSTICE
CRIMINAL DIVISION

Balistrieri, Four Others Face Trials

Trial dates were set Wednesday for Frank P. Balistrieri, a Milwaukee nightclub owner, his son, Atty. Joseph P. Balistrieri, and three other persons charged by the federal government with conspiracy in an alleged attempt to conceal the true ownership of the former Kings IV Tavern, 720 N. Water St.

The trial of Joseph P. Balistrieri was scheduled to begin in Federal Court here on Dec. 26, and that of Frank P. Balistrieri on Feb. 13.

The jury trial dates were decided at a pretrial conference before Federal Judge Myron L. Gordon. Representing the government were Michael H. King of the Justice Department's Strike Force Against Organized Crime and James R. Richards, a trial attorney with the department's Organized Crime and Racketeering Section.

They estimated each trial would last about six weeks.

On trial at the same time as Frank Balistrieri will be Angelo Di Giorgio, 34, of 1821 N. Marshall St.; Miss Sue Bartfield, 31, of 2035 N. Lake Dr., and Peter Gaudesi, 41, of 7503 W. Stevenson St.

Besides the conspiracy charge, Joseph Balistrieri, Di Giorgio, Miss Bartfield and Gaudesi are faced with counts of filing special and individual tax returns that were not accurate

RECEIVED

SEP 07 1972

DCI			

Comments:

Date: August 31, 1972
Publication: Milwaukee Sentinel

	O.C.	NARC.	GEN.	SPEC.
Coordination:				

Submitting Unit: Milwaukee Office

CIIC File #:	OC	8	28	

October 28, 1971

OC-4
cc: OC-9

Special Agent Alfred F. Suhr

THE SCENE - PETER BALISTRIERI

On October 28, 1971, Special Agent ALFRED F. SUHR met Probation and Parole Agent EDWARD G. HUFF, Division of Corrections, Wisconsin Department of Health and Social Services, in the main lobby of the State Office Building, Milwaukee. HUFF indicated he had information for S/A SUHR; consequently, S/A SUHR met with HUFF in HUFF'S office at 12:30 p.m., and HUFF related substantially the following information:

PETER BALISTRIERI and JENNIE ALIOTO have twice appeared in HUFF'S office to apply for permission to visit FRANK P. BALISTRIERI in Sandstone Federal Penitentiary, Minnesota. This is a requirement of their probation. The periods in October, 1971, for which they applied for travel to Minnesota were October 8 to October 12, 1971, and from October 23 to October 26, 1971.

PETER BALISTRIERI and JENNIE ALIOTO were in HUFF'S office on October 21, 1971, to apply for their second period of October travel to Minnesota. During casual conversation, PETER BALISTRIERI asked HUFF, "Do you know a good bookkeeper?" Pointing to JENNIE ALIOTO, HUFF replied, "You already have a good one, why do you want another?" To this response, JENNIE ALIOTO exclaimed that she was "going to retire." HUFF did not question this any further, but he provided PETER BALISTRIERI with the names of two local reputable CPA'S. To HUFF'S knowledge as of this date, neither of the CPA'S have been contacted by PETER BALISTRIERI.

PETER BALISTRIERI told HUFF that he was intending to re-open THE SCENE, and he planned to travel personally to Chicago to arrange for the talent. HUFF informed PETER that when PETER gave HUFF the names and places of persons PETER was going to contact in Chicago and where PETER would be staying overnight, HUFF would consider granting permission for PETER to travel to Chicago. HUFF promised to contact S/A SUHR whenever that permission is granted and further that he would give SUHR all data available to him.

AFS:kmj

RECEIVED

NOV 8 1971

DCI			CIIC

OC-9

CASE ACTIVITY REPORT
DJ-DCI-25

WISCONSIN DEPARTMENT OF JUSTICE
Division of Criminal Investigation — Operations
123 W. Washington Ave.
Madison, Wisconsin 53703

Date: April 4, 1972

Case No.: OCI-7

INVESTIGATORS: Special Agent Thomas J. Steingraeber and Assistant Director Herbert L. Krusche

SUBJECT OF INVESTIGATION: OCI-7 Interview

On Friday, March 24, 1972, at approximately 11:10 a.m., S/A STEINGRAEBER and Assistant Director KRUSCHE interviewed OCI-7. OCI-7 stated he has, on several occasions, attended high stake poker games at the residence of W[redacted] W[redacted], [redacted] South, Milwaukee, Wisconsin. He stated on one occasion the conversation involved big bettors. An individual referred to as "[redacted]", whose correct identity is J[redacted] A[redacted], a W/M, approximately 40 years of age, who is employed as a manufacturers' representative for a large fluorescent lighting firm, is supposed to be a big bettor. He allegedly placed a $40,000 bet on the Super Bowl game. OCI-7 believes he places the large bets direct to Las Vegas.

"[redacted]" is alleged to be a close friend of D[redacted] G[redacted] who resides at [redacted], telephone number [redacted], office address [redacted], Milwaukee, telephone number [redacted]. D[redacted] G[redacted] is described as a W/M, approximately 32 years of age. G[redacted] allegedly bet with the M[redacted]s and reportedly lost $150,000 to $200,000 to the M[redacted]s. OCI-7 stated that one time G[redacted] owed M[redacted]s a considerable amount of money. At that time someone allegedly threatened D[redacted] G[redacted]'S mother, Mrs. R[redacted] G[redacted]. She was allegedly threatened as a result of her son's gambling debts. OCI-7 stated he thinks it was HOGAN aka E[redacted] G[redacted] who threatened Mrs. G[redacted]. He further stated that G[redacted] has probably bet with every large bookmaker in the Milwaukee area. He feels that G[redacted] places large bets but directly to Las Vegas. OCI-7 stated he thinks D[redacted] G[redacted] would lie if subpoenaed to testify before a Grand Jury because he has enough money to fight it. He stated G[redacted]'S attorney is STAN GIMBEL, a former U. S. Attorney, who he claims handled the "skimming investigation" in Las Vegas. OCI-7 also stated that N[redacted]'S[redacted] of [redacted] Milwaukee, telephone number [redacted], the operator of N[redacted] S[redacted] ENTERPRISES, [redacted], Milwaukee, telephone number [redacted], is also a big bettor. Mr. S[redacted] is a former owner of the Master Lock Company and also a close friend of D[redacted] G[redacted].

OCI-7 stated the following persons are betting with B[redacted] B[redacted] and W[redacted] W[redacted]: a M[redacted] B[redacted] who is in the siding and home improvement business; and L[redacted] W[redacted] who he described as a siding broker. W[redacted] allegedly has bet with every bookie in town and has recently bet with PISCUINE. The agents asked OCI-7 which PISCUINE he was talking about, and he advised them he does not know PISCUINE'S first name.

Wan.

OC-9-4

He stated that E[redacted] C[redacted] [redacted], is also betting with PISCUINE. He stated E[redacted] C[redacted] placed a bet with PISCUINE on Monday, March 20, 1972. The bet was on the Maryland-Syracuse basketball game. The agents inquired if OCI-7 has ever placed any bets with E[redacted] C[redacted], [redacted] OCI-7 stated he does not think E[redacted] C[redacted], [redacted], is a bookie.

OCI-7 stated he recently heard that R[redacted] S[redacted] and J[redacted] O[redacted] are actively engaged in bookmaking at this time. He stated S[redacted] is employed at a Milwaukee brewery and that O[redacted] is a factory worker. They allegedly have 75 to 100 customers. OCI-7 stated he recently visited W[redacted] W[redacted] and observed W[redacted] working on his gambling records. He made the following observations: a check drawn on the First National Bank of Wauwatosa, Wisconsin, check #1419, dated 3-21-72, paid to the order of cash in the amount of $516.00. The check was drawn on the account of R[redacted] and B[redacted] S[redacted], [redacted], Milwaukee, Wisconsin, account #[redacted]

A check sent to A[redacted] S[redacted] (OC-55) by W[redacted] W[redacted]. The check was drawn on the Kilbourn Bank, check #209, account #402 5679, dated 2-24-72. The check had been made out to cash and was endorsed J[redacted] K[redacted]. The check was cashed at the American City Bank and Trust Company.

He also observed a cancelled check which had been sent to J[redacted] H[redacted] (OC-34) by W[redacted] W[redacted]. The check was drawn on the Kilbourn Bank, check #210, account #402 5679, dated 2-24-72. The check had been made out to cash and was endorsed HIGHWAY FOOD MARKET, J. H[redacted], to Milwaukee Wholesale Inc.

OCI-7 further advised the agents that S[redacted] L[redacted] aka L[redacted] (OC-40) is not taking any gambling action at this time. He stated L[redacted] F[redacted], who worked for S[redacted] L[redacted] as a bartender, also took some of S[redacted] L[redacted]'S action when he was booking.

OCI-7 further advised the agents that he had observed S[redacted] D[redacted], A[redacted] D[redacted] (OC-46), E[redacted] W[redacted], and E[redacted] C[redacted], [redacted] at the Bucks game on Tuesday, March 21, 1972. He stated he observed E[redacted] C[redacted], [redacted], hand something to S[redacted] D[redacted]. He said they were standing at the east end of the lower bar.

The agents inquired of OCI-7 what information he had relative to R[redacted] F[redacted]. OCI-7 stated that P[redacted] was a front man for B[redacted] W[redacted]. W[redacted] was using a front man because he owed quite a few people money. He stated at one time R[redacted] F[redacted] was betting

with J[redacted] H[redacted]. OCI-7 stated he heard J[redacted] H[redacted] is no longer taking gambling action. He stated when H[redacted] was in operation he took the action from 10:30 a.m. to 12:45 p.m. at his residence. From 1:00 p.m. until the start of the games, he accepted the action at his store, HIGHWAY FOODS. OCI-7 heard that R[redacted] P[redacted] has retained Attorney NATHANIEL ROTHSTEIN for the sum of $500.00 as the result of P[redacted]'S visits by state agents.

OCI-7 stated that bookies don't like to take basketball action because of the large amount of teams and games that are played within a given period of time. He stated the biggest problem is the inaccuracy of final score reporting.

OCI-7 stated M[redacted] T[redacted] (OC-36) aka [redacted], telephone number 475-1730, operates a sports service publication. He stated the name of the publication is "INSIDE SPORTS." This service furnished predictions of the outcome of various sporting contests. It also allegedly furnishes up-to-date information as to the condition of players and teams involved. The publication allegedly sells for the rate of $1.00 a day or $15.00 a week.

The agents inquired of OCI-7 if he had any information relative to large commercial-type card or crap games. OCI-7 stated B[redacted] W[redacted] is currently operating a large poker game on Wednesday nights. This game reportedly is operated at W[redacted]'S apartment on North Jackson Street in Milwaukee.

C[redacted] P[redacted] (ph) is also alleged to be operating a game on Sunday and Tuesday nights at the CAMELOT EAST located at approximately North 20th Street and West Wisconsin Avenue, Milwaukee. P[redacted] has two dealers: one was identified as T[redacted] O[redacted] (ph), a former boxer, and M[redacted] A[redacted]. The game reportedly is frequented by J[redacted] K[redacted] (ph) and B[redacted] P[redacted] (ph). OCI-7 stated P[redacted] drags more from the pot than the players win.

OCI-7 stated there was a party for the "top Italian guys" at ALIOTO'S on Bluemound. The party was held on Sunday, March 19, 1972. OCI-7 stated he had heard that PETER BALISTRIERI, brother of FRANK BALISTRIERI, had booked a large crap game at this party. OCI-7 overheard this information from a P[redacted] M[redacted] who reportedly is in the excelsior business.

TJS:so

CASE NUMBER OC-9

NAME Balistrieri (Last) Peter (First) Frank (Middle)

ALIAS

ADDRESS 1634 North Jackson Street, Milwaukee, Wisconsin [redacted]* (Street, City, State, Phone)

FORMER ADDRESS

DATE OF BIRTH [redacted] PLACE OF BIRTH

RACE White SEX Male HEIGHT 5'11" WEIGHT 190

BUILD COMPLEXION HAIR Brown EYES Brown

SCARS, MARKS, TRAITS

SOCIAL SECURITY NUMBER [redacted]

OCCUPATION Owner - THE SCENE

BUSINESS ADDRESS 624 North 2nd Street, Milwaukee, Wisconsin

VEHICLE 1966 Cadillac 4 door Black/White (73) C53-059
(Year, Make, Model, Color, License (year & state))

Year Make Model Color License (year & state)

Year Make Model Color License (year & state)

REGISTERED TO LEONARD J. DREWEK, 1634 North Jackson Street,
(Balistrieri's son-in-law)

SPOUSE MARY (First, Middle, Maiden) DOB

MARITAL STATUS Married

CHILDREN JOSEPH P. BALISTRIERI DOB [redacted]

BENEDETTA DREWEK DOB

DOB

PHOTO Yes DATE OF 12-20-69 LOCATION Milw. Co. Sheriff

ASSOCIATES All local OC figures

LICENSES HELD

PARENTS ADDRESS

BROTHERS AND SISTERS FRANK P. BALISTRIERI (OC-1)

FBI NUMBER

OTHER ID NUMBERS DL #: [redacted] (listed to PETER (NMI) BALISTRIERI)

ARREST RECORD AND PD #

ADDITIONAL DATA

*Telephone listed to LEONARD J. DREWEK, Balistrieri's son-in-law.

OC-9-8

CASE ACTIVITY REPORT
DJ-DCI-25

WISCONSIN DEPARTMENT OF JUSTICE
Division of Criminal Investigation — Operations
123 W. Washington Ave.
Madison, Wisconsin 53703

Date: September 27, 1972

Case No.: OC-9

INVESTIGATORS: Special Agent Alfred F. Suhr

SUBJECT OF INVESTIGATION: PETER F. BALISTRIERI

On September 27, 1972, Special Agent SUHR met with BALISTRIERI'S Probation Agent, EDWARD G. HUFF, in HUFF'S office in the State Office Building, and HUFF related substantially the following:

On September 19, 1972, BALISTRIERI made one of his required visits to HUFF'S office. During their conversation, HUFF attempted to prod PETER BALISTRIERI into admitting that he was actually running the SCENE NIGHTCLUB for his brother, FRANK P. BALISTRIERI. PETER BALISTRIERI denied this and stated to HUFF that he would shortly, toward the end of September, "be re-opening THE SCENE as the CENTER STAGE," at which he will serve dinner and have a show. PETER BALISTRIERI also gave HUFF a brochure announcing the opening of the CENTER STAGE.

AFS:ms

RECEIVED
OCT 05 1972

DCI	-	CIIC

OC-9-2

CASE ACTIVITY REPORT
DJ-OCI-25 (Rev 4/73)

Page ___ of ___ pages

WISCONSIN DEPARTMENT OF JUSTICE

Division of Criminal Investigation
123 W. Washington Ave.
Madison, Wisconsin 53703

Date: December 25, 197

Case No.: OC-1

INVESTIGATORS: Director Herbert L. Krusche

SUBJECT OF INVESTIGATION: FRANK BALISTRIERI

Director KRUSCHE met with reliable informant OCI-18 between 2:00 p.m. 4:00 p.m. on December 20, 1973. OCI-18 said that FRANK BALISTRIERI is very close to two Chicago hoodlums who were top lieutenants in the PHIL ALDERISIO organized crime group in Chicago prior to ALDERISIO'S death about a year ago. OCI-18 said that BALISTRIERI is going to Chicago to visit with FRANK Schweihs and ANTHONY SPILOTRO. OCI-18 said that SPILOTRO and SCHWEIHS represent some of the more militant younger organized crime group in Chicago that want to operate in the old violent manner, contrary to the policies currently set out by A[redacted] A[redacted] and deceased Chicago organized crime boss FIORE BUCCIERI. OCI-18 said that S[redacted] and SPILOTRO travelled to Milwaukee several times a month to visit with FRANK BALISTRIERI and that on occasion FRANK BALISTRIERI goes to Chicago to visit with them.

OCI-18 said that FRANK BALISTRIERI engineered the murder of LOUIS FAZIO for the following reasons:

1. LOUIS FAZIO was holding out on gambling kickbacks to BALISTRIERI.

2. LOUIS FAZIO was busy cultivating politicians from City Hall in Milwaukee while BALISTRIERI was serving time in Sandstone Penitentiary. BALISTRIERI lost some ground in this area while he was in the Penitentiary and felt that FAZIO was becoming a threat to him and his image as the Milwaukee organized crime boss.

3. BALISTRIERI has felt very insecure and believes that there were too many informants within the local organization. No one had been hit for some time in the Milwaukee area, at least from the Italian community, and BALISTRIERI felt that LOUIS FAZIO'S assassination would close some mouths and make informants more reluctant to be cooperative with the police.

4. BALISTRIERI was angry with SALLY PAPIA because she has been seen talking to law enforcement officials on many occasions. BALISTRIERI felt that SALLY PAPIA was giving out important information on the local mob's activities including his own and he felt that he wanted to get back at her for this. BALISTRIERI was afraid to harm SALLY

RECEIVED
JAN 24 1974

DCI		CIC	

OC-9-15

PAPIA because she was going with FRANK BUCCIERI, brother of FIORE BUCCIERI, a top organized crime figure from Chicago. OCI-18 said that BALISTRIERI told the FAZIOS that the BUCCIERIS from Chicago were responsible for assassinating their brother, LOUIS FAZIO, in hopes that the FAZIOS would retaliate against SALLY PAPIA and thereby bring the Chicago mob down on them. BALISTRIERI felt that he would serve two purposes in this area, 1) He would get rid of SALLY PAPIA, and 2) He would eliminate the FAZIO family from the Milwaukee scene so that he would have clear sailing with the local politicians.

OCI-18 said that there is some bad feeling on the part of STEVE DiSALVO becuase of FRANK BALISTRIERI'S actions at the time that he (BALISTRIERI) entered Sandstone Federal Penitentiary. OCI-18 said that BALISTRIERI took his brother, PETER BALISTRIERI, to Chicago and had him admitted to the mafia. BALISTRIERI advised the Chicago leaders that PETER would be in charge of his organization while he was in the Penitentiary. OCI-18 said that BALISTRIERI also lied to the bosses in Chicago relative to PETER BALISTRIERI'S being involved in the commission of a murder, one of the requisits for admission into the organization. OCI-18 said that STEVE DiSALVO has been loyal to FRANK BALISTRIERI for 30 years and that STEVE DiSALVO was put out at the fact that BALISTRIERI did not put him in charge in his absence. OCI-18 said that BALISTRIERI has continued to keep STEVE DiSALVO close to him since he was released from Sandstone Prison and that STEVE DiSALVO is still loyal to BALISTRIERI. OCI-18 said that STEVE DiSALVO is seen in the company of F[redacted]S[redacted] very frequently and that F[redacted] S[redacted] currently dislikes FRANK BALISTRIERI very much.

OCI-18 said that SALLY PAPIA has learned through the BUCCIERIS that the FAZIO family attempted to get someone from Chicago to burn her house down. OCI-18 said that SALLY learned that two "torch men" or arsonists from Chicago were solicited by the FAZIOS for the job, through F[redacted] S[redacted] and TONY SPILOTRO. OCI-18 said that it is believed that the FAZIOS were put in touch with the alleged arsonists with the help of FRANK BALISTRIERI. OCI-18 said that the FAZIOS were making an offer of $1,500 to burn SALLY PAPIA'S house down. According to OCI-18, the two arsonists came to Milwaukee and met with the FAZIOS and solicited a down payment on a total payment of $2,500 to torch SALLY'S house. The arsonists returned to Chicago and attempted to get permission to carry out the burning of SALLY'S house. SALLY PAPIA has told OCI-18 that FIORE BUCCIERI intervened and that the two arsonists were advised they could not carry out the plot. OCI-18 said that SALLY has said that the arsonists did not return the down payment to the

FAZIOS and the FAZIOS are very angry over the whole matter.

OCI-18 said that as the result of FIORE BUCCIERI learning that there was an attempt to hurt SALLY through the burning of her home, he sent two of his henchmen, J[redacted] V[redacted] T[redacted] and A[redacted] P[redacted] to Milwaukee to talk to FRANK BALISTRIERI. T[redacted] and P[redacted] were advised to tell BALISTRIERI that if any harm came to SALLY, any members of her family, or any of her property, the BALISTRIERI family would be put out of existance. According to OCI-18, the message was delivered to BALISTRIERI by T[redacted] and [redacted]. OCI-18 explained that FIORE BUCCIERI liked SALLY very much prior to his death, and believed that SALLY was actually married to his brother, FRANK BUCCIERI. OCI-18 said that SALLY PAPIA has been travelling to Riverside, Illinois, where she has been helping to manage a restaurant-night club that is operated and owned by FRANK BUCCIERI. OCI-18 said that RUSSELL ENEA accompanies SALLY to Riverside, Illinois, and also helps in the management of the night club in question. OCI-18 said that FRANK BUCCIERI still travels to Milwaukee on occasion and spends time with SALLY PAPIA, at her residence, in Wauwatosa.

OCI-18 said that SALLY was visited by Milwaukee Alderman JENDUSA while she was negotiating to buy the CHICO'S RESTAURANT from F[redacted] I[redacted]. JENDUSA advised SALLY that he was surprised that she was on the outs with FRANK BALISTRIERI. He said that she should think twice about buying the restaurant from L[redacted] because BALISTRIERI had used all of his influence to see that she would have trouble in keeping the license for that establishment. OCI-18 said that FRANK BALISTRIERI definitely has Alderman MARK RYAN and ex-Alderman ALLEN CALHOUN in his pocket. OCI-18 said that CALHOUN and his wife were sent into SALLY'S restaurant by BALISTRIERI for free meals and drinks, prior to SALLY PAPIA having a falling out with BALISTRIERI. OCI-18 said that CALHOUN never paid and ate lobster at SALLY'S restaurant three times a week. OCI-18 said that SALLY gave away approximately $6,000 worth of food and drinks in one year to policemen and politicians at the request of BALISTRIERI.

OCI-18 said that FRANK BALISTRIERI, up until a year and a half ago, was a frequent visitor to SALLY PAPIA'S restaurant with a banker named JAMES ROSENHEIMER. OCI-18 said that FRANK BALISTRIERI was associated with STEVE DiSALVO and HENRY NECHY in the siding business and that BALISTRIERI was instrumental in getting ROSENHEIMER to give various loans to NECHY from the BANK OF JACKSON and the BANK OF FREDONIA. OCI-18 said that ROSENHEIMER was going with either a Hawaiian or Chinese girl that he met in the AD-LIB COCKTAIL LOUNGE operated by FRANK BALISTRIERI.

OCI-18 said that FRANK BALISTRIERI is close to Milwaukee Police Chief HAROLD BREIER. OCI-18 said that SALLY PAPIA has said that she was present when BALISTRIERI talked about his friend HAROLD BREIER and that there is an agreement between BREIER and BALISTRIERI relative to organized crime in Milwaukee. OCI-18 said that HAROLD BREIER will refuse to acknowledge the fact that organized crime exists in the City of Milwaukee and that FRANK BALISTRIERI has agreed not to attempt to open the town up to organized crime activities on a large-scale basis.

LEADS:

Open a DCI intelligence case file on F[redacted] S[redacted] and ANTHONY SPILOTRO. Purge all CIIC files on these two individuals and obtain as much information as possible from Chicago authorities on these two subjects. Obtain up-to-date license numbers and vehicles that are registered to these individuals. Get Illinois authorities to run toll checks on each of these individuals' residences to see whether or not there is any contact with FRANK BALISTRIERI or any of the local mob associates in Milwaukee.

HLK:sk

cc: OC-14
OCI-18
OC-104
OC-254
OC-255
OC-9

SPAPER CLIPPING
DCI-43 (Rev. 11/74)

WISCONSIN DEPARTMENT OF JUSTICE
DIVISION OF CRIMINAL INVESTIGATION

Tax Liens Name Peter Balistrieri

State tax liens totaling more than $21,000 have been filed in the last two years against Peter F. Balistrieri, the operator of the Centre Stage Dinner Playhouse.

Balistrieri is the brother of Frank P. Balistrieri, a widely known former nightclub operator who has served time in federal prison for income tax evasion.

The Centre Stage, 624 N. 2nd St., was closed for a day a in 1973 by Internal Revenue Service agents in connection with federal tax liens of $33,238. The entire amount was paid the day after the club was closed.

The largest of the 13 tax liens on file in Circuit Court against Peter Balistrieri is $5,444 for delinquent employe withholding taxes involving the fourth quarter of 1972.

During that same period, the IRS contended that Peter Balistrieri did not pay $31,158 in federal withholding taxes. This resulted in the temporary closing of the Centre Stage in 1973.

Eleven of the outstanding state tax liens involve nonpayment of sales taxes and amount to more than $15,000, records showed.

Neither the Centre Stage operator nor a representative could be reached for comment.

In August, 1973, a judgment of $1,291 was filed in Circuit

Peter Balistrieri

Court here against Peter Balistrieri for failure to pay unemployment compensation contributions for Oct. 1 through Dec. 31, 1972.

Court records indicated that this judgment had not been satisified.

In 1971, Peter Balistrieri was convicted of state sales

Turn to Page 6, Col. 4

TAX LIENS

1968 Incident Involved IRS Seizure of Car

Continued From Page 1

tax fraud as president of Bals, Inc. Bals operated The Scene, which was at the present address of the Centre Stage.

He was sentenced to three consecutive one year terms, but was placed on probation on the condition that he pay fines totaling $2,000.

Also convicted were Miss Jennie Alioto, the firm's bookkeeper, and Joseph Balistrieri, Peter's son.

In 1968, Peter Balistrieri's Cadillac was seized by the IRS for alleged nonpayment of federal taxes. The IRS had filed a $3,062 lien for unpaid employe withholding taxes for the old Tower Tavern, Inc., at 716 N. 11th St. The IRS halted the sale of the car after the taxes were paid.

Frank Balistrieri was convicted of two counts of income tax evasion in 1967. After several delays and legal battles, he was sentenced to one year and a day in the Federal Prison at Sandstone, Minn. He began serving the sentence in June, 1971.

RECEIVED MAY 30 1975

COMMENTS

DATE May 22, 1975

PUBLICATION Milwaukee Sentinel

	O.C.	V.A.	S.A.	D.D.	A.T.	F.M.
COORDINATION						

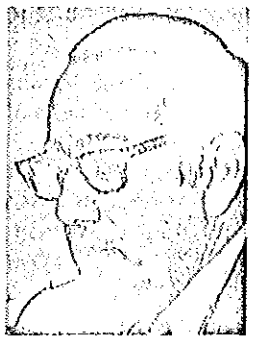
SUBMITTING UNIT Milwaukee Office

DCIR FILE NUMBER OC-9-

PAPER CLIPPING
CI-43 (Rev. 11/74)

WISCONSIN DEPARTMENT OF JUSTICE
DIVISION OF CRIMINAL INVESTIGATION

Tax Liens Name Peter Balistrieri



Peter Balistrieri

Peter F. Balistrieri, 56, operator of the Centre Stage Dinner Playhouse, 624 N. 2nd St., is named in 13 state tax liens totaling $21,340, according to records filed with Circuit Court Clerk Francis X. McCormack.

The liens, filed in 1973 and 1974, include one for $5,444 for delinquent employe withholding taxes involving the fourth quarter of 1972.

The Internal Revenue Service closed the Centre Stage for a day in April of 1973 in connection with federal tax liens of $33,238 involving employe withholding taxes and penalties for the same quarter. The club reopened April 24, 1973, after the liens were paid, the IRS said.

Among the pending state liens are 11 for nonpayment of state sales taxes amounting to $15,305. Also on file is a $1,291 judgment for failure to pay unemployment compensation contributions in 1972.

Balistrieri is the brother of Frank P. Balistrieri, a widely known nightclub operator who served nine months and nine days of a one year sentence for federal income tax evasion.

Peter Balistrieri was found guilty in 1971 on eight counts of state sales tax fraud charges as president of Bals, Inc., operator of The Scene, a nightclub that was at the present address of the Centre Stage.

Circuit Judge Michael B. Torphy Jr. of Dane County fined Balistrieri $2,000 and placed him on probation for three years.

Torphy also fined Miss Jennie Alioto $7,000 and placed her on probation for three years as bookkeeper for Bals, Inc., on 28 counts of making fraudulent monthly sales tax reports for the corporation between January of 1966 and March of 1969. Balistrieri's son, Joseph, secretary-treasurer of the firm, was fined $100 on one count of state sales tax fraud.

Cadillac Seized, Released

On May 22, 1968, the IRS filed a $3,062 lien for unpaid employe withholding taxes against Peter Balistrieri as principal officer in Tower Tavern, 720 N. 11th St., a tavern that no longer exists.

The IRS seized Balistrieri's Cadillac and contents on Aug. 8 of that year for public auction, but it halted the sale of the car after the taxes were paid.

Balistrieri could not be reached for comment Thursday concerning the pending tax liens.

RECEIVED JUN 2 1975

COMMENTS

DATE May 22, 1975

PUBLICATION Milwaukee Journal

	O.C.	V.A.	S.A.	D.D.	A.T.	F.M.
COORDINATION	XXX					

SUBMITTING UNIT Milwaukee DCI

DCIB FILE NUMBER OC-9- 21

CASE ACTIVITY REPORT
DJ-DCI-2 (Rev. 4/74)

Wisconsin Department of Justice
DIVISION OF CRIMINAL INVESTIGATION

1. Case Number	2. Date	3. Case Title
OC-9 OC-4	7-29-75	PETER BALISTRIERI, d/b/a CENTRE STAGE DINNER PLAYHOUSE

4. Activity	5. Date of Activity
Review of Civil Suits Filed Against CENTRE STAGE and PETER BALISTRIERI	July 21, 1975

6.

On July 21, 1975, Research Analyst PATRICK RIOPELLE went to the Milwaukee County Clerk's Office to obtain any information on civil suits in county and circuit court pending or completed against either PETER BALISTRIERI or the CENTRE STAGE DINNER PLAYHOUSE. The following cases were found and are summarized as follows:

File Number	Summary
C80633	BADGER STATE PRINTING, INC. vs PETER BALISTRIERI, JENNIE ALIOTO, d/b/a CENTRE STAGE DINNER PLAYHOUSE. Attorney R. W. KOHN counsel for the plantiff filed suit on May 22, 1974, against the CENTRE STAGE THEATER asking for $634.89 for unpaid advertising accounts, plus court costs. JOHN BALISTRIERI was the attorney for the defense. According to court records, the suit was settled on December 10, 1974, in the amount of $300.00 for the plantiff, (BADGER STATE PRINTING, INC.).
C83158	J[redacted] C[redacted], d/b/a C[redacted] CO. vs. PETER BALISTRIERI, d/b/a THE CENTRE STAGE DINNER PLAYHOUSE. Attorney BARNETT W. FRANKS acting as legal counsel for the CATALANO business (fruits and vegetables) sued CENTRE STAGE for $1,644.75 on August 1, 1974, claiming unpaid bills of same amount. JOSEPH BALISTRIERI was the attorney for the defendant. On October 15, 1974, the suit was dismissed, without explanation, at the specific order of Judge DAVID JENNINGS.
C71465	BRENNAN & MORISSEY & ASSOCIATES vs. PETER BALISTRIERI, d/b/a CENTRE STAGE DINNNER PLAYHOUSE. Attorney PAUL SCHEMER of SCHEMER & SCHEMER filed suit on June 28, 1974, asking for $862.57 plus costs on unpaid advertising account. Attorney JOHN BALISTRIERI represented the CENTRE STAGE. On November 21, 1974, the court granted judgment of $736.90 to BRENNAN & MORISSEY. As of this date, the amount has not been paid and is accumulating interest at 7% per annum.
C74-640	LAVERN & BEULAH HUNSTSINGER, d/b/a HUNT-VERN STAGE EQUIPMENT CO. vs. PETER BALISTRIERI, d/b/a CENTRE STAGE DINNER PLAYHOUSE. Attorney JOSEPH L. SHUTKIN acting as legal representative for HUNT-VERN STAGE

RECEIVED AUG - 4 1975

7. Agents
Patrick Riopelle, Research Analyst

This document contains neither recommendations nor conclusions of the Division of Criminal Investigation, Wisconsin Department of Justice. It is the property of this Division and is loaned to your agency. Its contents are not to be distributed outside your agency.

OC-9-23

File Number	Summary
	EQUIPMENT CO. filed suit on November 23, 1973, asking for $3,300.00 in unpaid bills for stage equipment used at the CENTRE STAGE. Attorney JOSEPH BALISTRIERI represented the defendants. Briefs were filed on behalf of both partners and a settlement, with prejudice, was agreed on for the sum of $1,500.00 on February 24, 1975.
C67973	DAVE MILLER CUSTOM SHOP, INC., vs. JENNIE ALIOTO, PETER BALISTRIERI, d/b/a CENTRE STAGE DINNER PLAYHOUSE. Attorney EMANUEL ROTTER acting in his capacity as legal representative for DAVE MILLER CUSTOM SHOP, INC., filed suit in County Court asking for $622.35 for recovery of sole and rental of theatrical costumes. Suit was filed on January 7, 1974. Suit is still not settled. JOSEPH BALISTRIERI is the attorney for the defendants.

The records in Circuit Court indicate the following legal actions taken on the part of PETER BALISTRIERI.

File Number	Summary
411418	PETER BALISTRIERI vs. ACTORS EQUITY ASSOCIATION. JOSEPH BALISTRIERI acting as legal representative for PETER BALISTRIERI asked for $10,000.00 against the ACTORS EQUITY ASSOCIATION for a breach of contract. Suit filed on July 3, 1973. Attorneys PODELL and UGENT represented defendants. Suit was dismissed on October 26, 1973, after the ACTORS EQUITY ASSOCIATION filed a counter suit against PETER BALISTRIERI.
404465	PETER BALISTRIERI vs. J[redacted] R[redacted] and CLASSIFIED INSURANCE CORPORATION vs. FRANK BALISTRIERI. Suit was filed on November 11, 1969, by PETER BALISTRIERI'S attorney, JOSEPH BALISTRIERI, asking for $25,000.00 as a result of a traffic accident involving a car driven by FRANK BALISTRIERI and PETER BALISTRIERI as an occupant, and a car drive by J[redacted] R[redacted]. After JOSEPH BALISTRIERI filed suit, Attorneys SIMARSKI, GOODRICH, BRENNAN AND STACK filed a counter suit against FRANK BALISTRIERI claiming he was negligent as the driver of one of the vehicles involved in the traffic accident. Motions were sent to the court on January 6, 1975, that both parties were ready for trial, but on May 25, 1975, case was dismissed without prejudice.

NOTE: It is also interesting to note that four cases involving civil suits against PETER BALISTRIERI and the CENTRE STAGE DINNER

PLAYHOUSE were completely absent from the record files of the County Court. There was no indication that they were signed out or accounted for in some way. As a matter of future reference, the title numbers are: (C74-125), (C65-905), (C75-426) and (C91-302).

PR:kj

CASE ACTIVITY REPORT
DJ-DCI-25

WISCONSIN DEPARTMENT OF JUSTICE
Division of Criminal Investigation — Operations
123 W. Washington Ave.
Madison, Wisconsin 53703

Date: July 2, 1973

Case No.: OC-10

INVESTIGATORS: Special Agent Gary H. Hamblin

SUBJECT OF INVESTIGATION: C[redacted] D[redacted]

C[redacted] D[redacted] and SAM COOPER were subpoenaed to appear before the Madison Grand Jury on February 13, 1973 to give testimony pertaining to the State vs SPHEERIS TOBACCO CO. However, their subpoenas were cancelled and they did not appear. Hence, the attached background information and questions which were submitted by AD KRUSCHE were not used and not answered.

GH:el

RECEIVED

JUL 11 1973

DCI		CIIC

xc to Kansas 5-7-93

OC-10-13

DEPARTMENTAL CORRESPONDENCE

Date: February 7, 1973

To: Assistant Attorneys General Hal Barlowe and Douglas Haag

From: Assistant Director Herbert Krusche

Subject: SPHEERIS TOBACCO COMPANY

I am sending you some questions to ask SAM COOPER and C[redacted]D[redacted], when they appear before the Madison Grand Jury on February 13, 1973. If you have any questions, call the Milwaukee office. I will be attending a Police Administration School in Louisville, Kentucky, but the Milwaukee office will contact me if I am needed.

Herbert Krusche

Assistant Director Herbert Krusche

HK:cl

File: OC-23

Madison Grand Jury
February 13, 1973
By Mr Krusche

BACKGROUND AND QUESTIONS

SAM COOPER

SAM COOPER operates the PIONEER SALES COMPANY located at 3110 West Fond du Lac Avenue, Milwaukee. PIONEER Sales sells juke boxes, various coin operated games, pool tables and food vending equipment.

COOPER'S brother-in-law, HERMAN POSTEUR, was shot to death in the living room of his home in St. Paul, Minnesota, in 1960 or 1961. He had just returned home from Milwaukee where he operated the POSTEUR DISTRIBUTING COMPANY, with COOPER.

COOPER has been selling juke boxes and cigarette machines to FRANK BALISTRIERI, PETER BALISTRIERI, and C[redacted] D[redacted], for the last 15 years. We know that C[redacted] D[redacted] is the front man for a large juke box and cigarette vending machine route, being operated in the Milwaukee area. C[redacted] D[redacted] has purchased cigarette vending machines but he has no cigarette vending license. We feel that the machines in question are being operated under the license of PETER PICCIURRO, operator of PITCHES DE LISH US, a first cousin to FRANK BALISTRIERI. We know that PICCIURRO did business with G[redacted] S[redacted] We know that C[redacted] D[redacted] has not taken depreciation on a lot of juke box equipment or on any of the cigarette machines he purchase, on his state or Federal income tax returns.

COOPER has been interviewed by Assistant Director KRUSCHE and other agents several times in the past four years, in regard to his sales to PICCIURRO and BALISTRIERI and D[redacted]. Assistant Director KRUSCHE and Special Agent AL SUHR interviewed COOPER on February 8, 1973, when he was subpoenaed to appear before the Madison Grand Jury on February 13, 1973.

The last time Assistant Director KRUSCHE talked to COOPER, COOPER advised that D[redacted] owed PIONEER SALES in excess of $40,000.00 for equipment. D[redacted] was not making payments and it appeared that COOPER was afraid to go after D[redacted] for the money. COOPER knows that BALISTRIERI actually owns the D[redacted] operation but he denies this to us during the interviews.

NOTE: A reliable informant advised that COOPER asked the informant

to contact FRANK BALISTRIERI and ask him to pay up the $40,000.00 that was owed. The informant contacted BALISTRIERI and BALISTRIERI said, "Tell him to get fucked, I will pay when I get ready to pay."

COOPER cannot be asked about this specific incident because we would expose our informant.

COOPER was asked when he talked to FRANK BALISTRIERI last and he said that he talked to BALISTRIERI at Christmas time. COOPER said he took his employees to BALISTRIERI'S "CENTER STAGE THEATER" for a Christmas party. COOPER showed us a bill for the party (about $500.00) and said that he had not paid the bill yet. We asked for a copy of the bill and COOPER said he did not want to get involved. He appeared frightened and said he would bring a copy of the bill to the Grand Jury with him.

COOPER said that in July 1971, he turned $38,307.01 worth of paper (loans for D[redacted]'S purchases of equipment) over to the NORTHERN BANK in Milwaukee, for collection. Said that up until several months ago, "JENNIE ALIOTO", C[redacted] D[redacted]'S bookkeeper, has been paying the bi-weekly payments on the loan. Said that D[redacted] has not paid for several months and that he (COOPER) would have to pay if D[redacted] did not pay. COOPER said he has told D[redacted] that he would start to repossess the machinery if D[redacted] did not pay.

Assistant Director KRUSCHE does not believe that COOPER would attempt to take back any of the BALISTRIERI operation machines.

Questions for Cooper:

1. Name
2. Address
3. What business are you in?
4. Corporate structure.
5. How long in business.
6. What relation to H[redacted] P[redacted]. Is present business the same as P[redacted] DISTRIBUTING COMPANY?
7. Did name change only. Details. Dates.
8. Why was P[redacted] killed? What did he hear. From P[redacted]. Prior to murder.
9. Has he ever been threatened by anyone?

10. How long has he known ank BALISTRIE ?
    a. Business dealings
    b. Last time talked BALISTRIERI a about what. Who did he deal with in nging the Chr tmas party. (Get copy of bill for Chri s party)
    c. Detail any discu ns he had on phone, in person, through 3rd part with BALISTRIERI regarding money owed for machin ke boxes, games, cigarette machines) in D[redacted] ope .
    d. Has he ever t to BALISTRIERI regarding selling machines of any type t , D[redacted], PETER PICCIURRO, or anyone else?

11. Produce copies of e sheets on D[redacted] account.
12. Explain the transf f paper to the NORTHERN BANK of Milwaukee.
13. Explain the total ent balance owed by D[redacted].
14. Has he refused to additional equipment to D[redacted].
15. What conversation he had with JENNIE ALIOTO regarding the D[redacted] operation ates, in person, what was conversation about.
16. Why has he not ma ny real attempt to collect the money owed by D[redacted] re now. Is he afraid to push for collection. Has ICE ever filed a financial statement with P[redacted] DIST JTING COMPANY. PIONEER SALES?
17. Isn't it a fact t he knows the D[redacted] operation is actually a BALIST RI operation?
18. About two or thre ears ago Assistant Director KRUSCHE contacted COOPER and asked t his sales of cigarette machines to D[redacted]. Did COO advise D[redacted] of KRUSCHE'S interest and questions relatin the sale of cigarette machines? Did he ever talk to F BALISTRIERI about KRUSCHE'S inquiry?

    NOTE: No cigarette machines were sold to D[redacted] after KRUSCHE'S inquiry into this matter.

19. Does he have a list of locations of the D[redacted] machines? How would he reposses the equipment if he decided to do so.
20. How long has he known S[redacted] "S[redacted]" D[redacted]. Details. How did he meet him. Did SAM ever work for C[redacted], FRANK BALISTRIERI, PETER BALISTRIERI?
21. Has he ever placed a bet with anyone in the State of Wisconsin? ANGELO DI GIORGIO, A[redacted] M[redacted], JOSEPH ALIOTO, S[redacted] C[redacted]?

22. Did FRANK BALISTRIERI, JERRY ALIOTO, C[redacted] D[redacted], or anyone else, purchase equipment or pay for equipment with checks from a business called CONTINENTAL MUSIC SALES? Did he ever hear of CONTINENTAL MUSIC SALES? (See news clipping attached.)

Madison Grand Jury
February 13, 1973
By Robert Grosche

BACKGROUND AND QUESTIONS

C[redacted] D[redacted]

C[redacted] D[redacted] is a life long friend and associate of FRANK P. BALISTRIERI. Intelligence sources reveal that D[redacted] is fronting a Juke Box, Amusement Device, and a cigarette vending business for FRANK BALISTRIERI.

NOTE: (See SAM COOPER background that has been provided.) (Also copy of transcript of C[redacted] D[redacted] appeared before the Kenosha John Doe Investigation on March 25th 1965).

We have no objection to granting immunity to D[redacted]. We believe he will not tell the truth even if he is granted immunity. The questions with an asterisk (*) after are the key questions we would like to see him granted immunity on in open court.

Questions for D[redacted]:

1. Name
2. Address
3. Occupation
4. How long has he operated this business?
5. How many Juke boxes? Games? Cigarette machines? Are all located in Milwaukee? If not where else in state. Where does he purchase his equipment from--Names of suppliers and where are they located?
6. Has he purchased any cigarette machines in the past 6 years? From whom? Where are they now? Has he purchased any machines for anyone else? Has anyone else purchased any machines for him?
7. Is he involved in or does he have a financial interest in any other business?
8. Has he serviced any cigarette machines in the past 6 years? When, where and for whom.

*9. Has S[redacted] D[redacted] ever worked for him? When? What did he do? What is the relationship?

10. Does JENNIE ALIOTO work for him? How long? What does she do? How much is she paid? Where is her office? Does she not infact work for FRANK P. BALISTRIERI?
11. Where is his personal checking account(s) located? For the business.
12. Who has authority to sign checks from his business account? (Name on signature cards)
13. Has he filed any financial statements for loans in the past 3 years? Where?
14. Does he have a list of equipment he owns and the the location where this equipment is located? Will he provide this list to State Agents?
15. How much money does he owe for equipment at this time? To whom.

16. Does he know G[redacted]S[redacted]? Details.
17. What business has he done with S[redacted]?
18. How many employees has he had in the past 3 years? Who?
19. Describe in detail the route of his collections from juke boxes and games from the time it is collected to the time it gets to the bank. Does he take change to bank and deposit it? Does he have change converted to cash and turn it over to someone? How is the money delivered.

NOTE: We observed D[redacted] change money for cash at Milwaukee Bank. He then takes money to PETER BALISTRIERI'S home located on Jackson Street in Milwaukee.

*20. Is he actually fronting his Juke Box and coin operated game business for (1) FRANK P. BALISTRIERI, (2) PETER BALISTRIERI, (3) for anyone else?

*21. Did he ever purchase cigarette machines from PIONEER SALES or any other supplier of cigarette machines for (1) FRANK BALISTRIERI, (2) PETER BALISTRIERI, (3) or anyone else?

22. What is his relationship (personal or financial) with (1) PETER PICCIURRO (2) PITCH'S DE-LISH-US VENDOR?

*23. Has he personally been involved in the counterfeiting of State of Wisconsin Revenue Stamps? Does he have any knowledge of anyone else being involved in this type of activity.

*24. Has he ever had any conversation in person or on the telephone with (1) FRANK P. BALISTRIERI, (2) PETER BALISTRIERI, (3) G[redacted] S[redacted], (4) anyone else, in regard to
a. The use of counterfeit revenue stamped cigarettes.
b. The purchase, sale, or use, of stolen cigarettes.

INTELLIGENCE SECTION

PRELIMINARY REPORT

CASE #1467

BY GEORGE N. LONG
SPECIAL TAX AGENT

OCTOBER 5, 1970

RECEIVED

AUG 06 1971

DCI			CIIC

oe-11-6

WISCONSIN DEPARTMENT OF REVENUE

INTELLIGENCE SECTION

PRELIMINARY REPORT

CASE #1467

BY GEORGE N. LONG
SPECIAL TAX AGENT

RECEIVED

OCTOBER 5, 1970

INTELLIGENCE SECTION

PRELIMINARY REPORT

TAXPAYER: Peter Picciurro Case #1467

This preliminary case was assigned on June 2, 1969.

This individual is purportedly involved with Frank P. Balistrieri in various business operations. This tie might be through his mother who may be a close relative of Frank. There is also a business relationship between Peter Picciurro and C[redacted] D[redacted]. Reports on file indicate that D[redacted] is servicing some of Picciurro's vending machines.

In recent years it appears that Peter Picciurro has turned over much of the vending machine operations to his former employees. He still owns the operation, but he is not too active in the management. He is spending much of his time at the Restaurant and bar (Pitch's Lounge) which he owns in partnership with his mother.

I might note at this point that IRS Intelligence is also interested in this case. However, they do not have a case number assigned.

PERSONAL HISTORY

Given Name:	Peter F. Picciurro
Date of Birth:	[redacted]
Place of Birth:	Milwaukee, Wisconsin
Parents:	John J. (Died 2/14/66) and Catherine (Balistrieri) P[redacted]
Spouse:	P[redacted] ([redacted]) P[redacted] (married on 9/4/54)
Children:	6 children
Current Residence:	[redacted]
Business Operation:	Candy and Cigarette Vending D/B/A Pitch's DeLishus and partner in restaurant with mother, D/B/A Pitch's Lounge

WORK DONE TO DATE

Following is a summary of the third party contacts I have made:

This preliminary case was assigned on June 2, 1969.

This individual is purportedly involved with Frank P. Balistrieri in various business operations. This tie might be through his mother who may be a close relative of Frank. There is also a business relationship between Peter Picciurro and C[redacted] D[redacted]. Reports on file indicate that D[redacted] is servicing some of Picciurro's vending machines.

In recent years it appears that Peter Picciurro has turned over much of the vending machine operations to his former employees. He still owns the operation, but he is not too active in the management. He is spending much of his time at the Restaurant and bar (Pitch's Lounge) which he owns in partnership with his mother.

I might note at this point that IRS Intelligence is also interested in this case. However, they do not have a case number assigned.

PERSONAL HISTORY

Given Name:	Peter F. Picciurro
Date of Birth:	[redacted]
Place of Birth:	Milwaukee, Wisconsin
Parents:	John J. (Died 2/14/66) and Catherine (Balistrieri) Picciurro
Spouse:	P[redacted] ([redacted] P[redacted] (married on 9/4/54)
Children:	6 children
Current Residence:	[redacted]
Business Operation:	Candy and Cigarette Vending D/B/A Pitch's DeLishus and partner in restaurant with mother, D/B/A Pitch's Lounge

WORK DONE TO DATE

Following is a summary of the third party contacts I have made:

I. Banks

Mr. Picciurro has had dealings with at least six different banks that I know of. His business and personal checking account are at the North Shore State Bank. Bank statements for these accounts have been copied for a four year period.

II. Brokerage Houses

Peter Picciurro has dealt with at least six different brokerage houses located in Milwaukee.

It appears that Mr. Picciurro began investing in 1968. He reported a substantial profit from his investments in this year. However, he sustained a loss exceeding $15,000 in 1969 on his investments when he opened margin and short accounts. He deals in mostly speculative stock and bond issues which are traded over-the-counter or on the American Exchange.

When my investigation indicated that he dealt with a large number of firms, I canvassed all of the brokerage houses in Milwaukee by letter. I asked these firms to check their records for accounts in the name of the Picciurros. Mr. Picciurro's mother also has a fairly substantial investment in several mutual funds.

III. Coin Machine Distributors

The following firms were contacted:

A. Pioneer Sales

B. S. L. London

C. Pavlic Vending

D. Gene Casey

E. National Vendor

A comparison of the total cost of machines from these companies with the purchases reported on the returns indicates that Mr. Picciurro made machine purchases in excess of the amounts determined by my investigation. This leads one to the conclusion that he may be dealing with manufacturers located outside Wisconsin.

It appears that Mr. Picciurro began investing in [illegible]. He reported a substantial profit from his investments in this year. However, he sustained a loss exceeding $15,000 in 1969 on his investments when he opened margin and short accounts. He deals in mostly speculative stock and bond issues which are traded over-the-counter or on the American Exchange.

When my investigation indicated that he dealt with a large number of firms, I canvassed all of the brokerage houses in Milwaukee by letter. I asked these firms to check their records for accounts in the name of the Picciurros. Mr. Picciurro's mother also has a fairly substantial investment in several mutual funds.

III. Coin Machine Distributors

The following firms were contacted:

A. Pioneer Sales

B. S. L. London

C. Pavlic Vending

D. Gene Casey

E. National Vendor

A comparison of the total cost of machines from these companies with the purchases reported on the returns indicates that Mr. Picciurro made machine purchases in excess of the amounts determined by my investigation. This leads one to the conclusion that he may be dealing with manufacturers located outside Wisconsin.

I recommend this case be assigned to a full scale investigation for the following reasons:

1. Deposits to the two checking accounts at the North Shore Bank are far in excess of the receipts reported for 1966, 1967, and 1968.

	1966	1967	1968	1969
Deposit to:	[redacted]			
Business Acc't. (DeLishus)				
Personal Account				
Total				
Gross Receipts (Sch. C)				
DIFFERENCE				

Although the deposits to the personal account consist of some checks remitted to Mr. Picciurro by his brokerage houses, there appear to be other deposits which may be from his business.

tributor of cigarettes, however in July of 1967 he decided to close the distributorship and operate only the vending machine routes. This caused a reduction in his inventory. One additional fact must be considered along these same lines. A comparable drop must have also been made in his Accounts Payable on 12/31 of each year.

The cash on hand was determined based on deposits to his checking accounts between January 1 and the first working day of each year.

A summary of the preliminary net worth schedule is as follows:

	12/31/66	12/31/67	12/31/68	12/31/69
Assets	[redacted]			
Liabilities				
Net worth				
Beginning NW				
Increase				
Fed Tax Paid				
Est. COL (8 dependents)				
Income Reported				
Difference				

Other items that have not been checked are several machine manufacturers located outside Wisconsin; Heller and Company in Chicago (a factorer of loans), personal living expenses, and a bank located in Kansas City, MO.

METHOD OF PROOF

Any conclusion as to the method of proof cannot be made until the taxpayer has been contacted. It is dependent on whether records will be supplied. To date I have been contacted by both James Shallow and Eugene Koenen who allege to be Mr. Picciurro's attorney's. I have my doubts whether they will turn any records over to the department's representatives.

SPECIAL PROBLEMS

1) A determination of opening cash on hand; 2) ownership of a partnership known as Pitch's Lounge; 3) a possible cash hoard of his father, John, which was not included in the Estate probated in 1967. His father died on February 14, 1966; 4) gifts from father prior to his death and 5) gifts from his mother.

2. His net worth has increased substantially in the past three years. For example, his investment in the stock market was increased by $65,364.53 in 1969 alone. In this year, he was also able to pay off $8,600 in loans and purchase approximately $13,000 worth of machines. Yet in 1969 he reported nex taxable income of $22,805.17. One source of funds appears to have been the decrease in his inventory. In 1966 he was a distributor of cigarettes, however in July of 1967 he decided to close the distributorship and operate only the vending machine routes. This caused a reduction in his inventory. One additional fact must be considered along these same lines. A comparable drop must have also been made in his Accounts Payable on 12/31 of each year.

The cash on hand was determined based on deposits to his checking accounts between January 1 and the first working day of each year.

A summary of the preliminary net worth schedule is as follows:

	12/31/66	12/31/67	12/31/68	12/31/69
Assets	[redacted]			
Liabilities				
Net worth	[redacted]			
Beginning NW				
Increase	[redacted]			
Fed Tax Paid				
Est. COL (8 dependents)				
Income Reported				
Difference				

Other items that have not been checked are several machine manufacturers located outside Wisconsin; Heller and Company in Chicago (a factorer of loans), personal living expenses, and a bank located in Kansas City, MO.

METHOD OF PROOF

RECEIVED
AUG 5 1971
BUREAU OF INVESTIGATION
DIVISION

TENTATIVE TIME TABLE

This is dependent on the cooperation extended by Mr. Picciurro. My approximation of remaining time in the case is 400 hours.

Statute of Limitations

1967	4/15/71
1968	5/14/72
1969	5/14/73

BY: GEORGE N. LONG
Special Tax Agent

October 5, 1970

June 19, 1972

Office of the District Attorney
Bureau of Investigation
County of Los Angeles
524 North Spring Street
Los Angeles, California

Attention: Investigator Robert E. Trigen

Dear Sir:

Reference is made to Assistant Director Krusche's visit during May 1972 to your office during which time Investigator Trigen requested backround information on Rocco Youse. This letter is in response to that request.

Youse came to the attention of this department in December 1970 when the mayor of a small northern Wisconsin town made a complaint to this department. The mayor stated that representatives of Del Chemical Corporation, Menomonee Falls, Wisconsin, had given gifts and cash payoffs to officials of this city for the purpose of influencing these officials on making purchases from Del Chemical. Predicated upon that complaint, a case was opened on Del Chemical Corporation by this department. Subsequent to the receipt of the complaint, background information was obtained on corporate members of the organization of which Youse, as its president, was of prime concern. Following is background data on Youse obtained from various sources:

Robert Ernest Youse, W/M, with dates of births listed variously as [redacted] and [redacted] was born in St. Louis, Missouri, and was the first child of [redacted] and [redacted] nee: Burkins. Ernest Youse's current permanent residence is [redacted], Fort Wayne, Indiana (as of early 1971). Youse's uncle, A[redacted] Y[redacted], resides at [redacted] Road, Fulton, Missouri.

Youse is a graduate of the Sedalia, Missouri, High School, and just prior to his graduation in 1943, he married H[redacted] S[redacted]. In 1947, H[redacted] divorced him in Kansas City, Missouri. Information indicates that Youse entered St. Louis University, College of Arts and Sciences, on September 13, 1946, as a veteran; however, his veteran status has never been confirmed.

Youse was interested in boxing in his younger years, starting with the Golden Gloves. At the time he turned pro, date unknown, he had his name legally changed in St. Louis to Rocco E. Youse. During an interview (early 1971) of the sports editor of the St. Louis "Post Dispatch," the sports editor commented that Youse had no ring stand-

RECEIVED

OC-12-13

ing but was a club fighter only. The sports editor further added that if his memory served him correctly, when Youse was boxing professionally, he was controlled by the syndicate.

After Youse's divorce from H[redacted] S[redacted], he married Charlotte (LNU) on an unknown date. Charlotte had two children from her previous marriage. They lived in St. Louis, and Youse worked for the D. J. Wilkinson Company, a chemical supply firm. In 1958, Youse divorced Charlotte and married his current spouse, J[redacted] Y[redacted]. J[redacted] Y[redacted] allegedly is from Wisconsin.

In 1958 and 1959, Youse worked for National Chemsearch. During an interview (early 1971) of Stan McKeron, manager of National Chemsearch in Clayton, Missouri, McKeron recalled that Youse was a good salesman. As indicated above, no record was found of Youse's ever having served in any of the armed forces. Members of his family, who were interviewed by another agency, confirmed this fact. Youse reportedly is associated with organized crime figures coast to coast and is known to be a close friend of Frank Balistrieri of Milwaukee, head of the Milwaukee "family." Youse's constant companion and bodyguard (armed) is another Milwaukeean, Annunzio (Nunzio) Farraro. During a trip in early 1971 accompanied by his paramour, D[redacted] P[redacted], white female, DOB [redacted], described as 5'3", 110 lbs., dark brown hair, brown eyes, Youse was photgraphed by the Los Angeles Police Department in the company of Andrew Lococo (LEIU #1527), owner of the Cockatoo Inn, and a known organzied crime figure on the west coast.

In December 1970 files of various agencies were checked regarding Youse and revealed the following information:

Milwaukee Credit Bureau (since November 1955; last cleared Dec., 1967)

Born: February 3, 1920
Wife: J[redacted] (second marriage); pays [redacted] support to first wife
President, Del Chemical (in 1967)
Home: [redacted], Phoenix, Arizona (Nov. 1970)
Wisconsin Tax Lien filed on June 20, 1960 for [redacted]; satisfied in August, 1968.
Inquiry from credit bureau, Mesa, Arizona, in November 1970 (they supplied Phoenix address)

Milwaukee Police Department B of I

Robert (Rocco) E. Youse, born [redacted]
1953: Applied for bartenders license in Milwaukee

Arrest Record:

07-29-53	Drunk	Sentence Suspended
06-28-56	Auto license law	Sentence Suspended
12-09-62	Failure to yield right of way	$10.00 stipulation
08-10-63	Disorderly/profane	$10.00
07-16-67	One way street violation	$10.00 stipulation

1953: Park Ridge, Illinois
1956: [redacted] Milwaukee (dist. Mgr., Ben-Hur)
1962: [redacted], Menomonee Falls (employed Del Chemical)
1963: Same address
1967: [redacted], Reno, Nevada

Milwaukee County Sheriff's Office: No record

Wisconsin Motor Vehicle Division: No record (date of birth confirmed)

Enclosed herewith for your retention is a copy of a photograph of Youse which appeared in the Nevada State Journal in December 1970.

If there are any other areas of specific interest to you which have not been outlined above, please feel free to contact this department. Be assured of our cooperation in all matters of mutual concern.

Sincerely yours,

FRANK A. MEYERS
Director of Operations

HERBERT L. KRUSCHE
Assistant Director of Operations

AFS:sk
Enclosure

RECEIVED
JUN 22 1972
CRIMINAL INVESTIGATION DIVISION

File: OC-12

5

Details:

On February 2, 1973, D[redacted] R[redacted], D.O.B. [redacted], residing at [redacted] Richfield, Wisconsin, testified before the Winnebago County John Doe hearing regarding her employment with the DEL CHEMICAL CORPORATION and DEL'S operation. Her testimony was transcribed verbatim by a court reporter and will be on file as OC-202-1C-11.

On March 9, 1973, Special Agent SCHMIDT reviewed a copy of the transcript and summarized it as follows:

R[redacted] has been married to T[redacted] R[redacted] for ten years. She is the executive vice president of the DEL CHEMICAL CORPORATION, Menomonee Falls. She is also the general manager of the Menomonee Falls plant. Her immediate supervisor is ROCCO YOUSE. Her salary is $600.00 per week. She also has a company car and a life insurance policy in an unknown amount is provided for her.

Prior to becoming vice president she was the personnel director for about a year. Prior to being personnel director she was the executive secretary to PAUL DES JARDINS. She did general secretarial work when she first started with the company.

DEL has two factories. One is in Reno, Nevada, and the other is in Honolulu, Hawaii. ROCCO YOUSE also has an interest in MUNICHEM. (page 11) MRS. R[redacted] also oversees the MUNICHEM operations in Menomonee Falls. MUNICHEM has its own sales force and the DEL and MUNICHEM sales areas are just about the same. She does not know who the MUNICHEM salesmen in Wisconsin are. In Wisconsin no person is in direct charge of the MUNICHEM operation. R[redacted] M[redacted] is in charge of Wisconsin sales. The MUNICHEM address is the same as DEL'S.

DEL has about 150 different products. While she has complete authority over the sales force she does not develop sales policies. The sales manager takes care of that. DEL has one price for all customers. The price could vary if a large quantity was purchased.

She knows that YOUSE is the president and R[redacted] B[redacted] is a vice president, but does not know who is the secretary/treasurer. N[redacted] H[redacted] is the salesmen's direct supervisor.

MRS. R[redacted] explained the DEL premium policy and the use of premiums. (page 18) She described the premiums as novelty items and advertising items. These items are valued at 10 cents to $20.00. Coffee pots, toasters, or fishing rods would be in the higher price range. The

RECEIVED

MAR 21 1973

DCI CIIC

OC-12-31

salesmen purchase the premiums from the company. There is no relationship between the size of the order and the value of the premium.

The salesman is paid on a draw against commission basis. When he orders premiums, they are charged to his account. DEL has many premium suppliers but MRS. R[redacted] could not recall the names of any company. She does not know if YOUSE has an interest in any premium company. (page 20)

MRS. R[redacted] said the purpose of giving the premiums was to say thank you to the purchaser. She denied that they were used to induce further sales. The salesman may feel that the premium is an inducement but that is not the corporate viewpoint.

DEL stocks premiums at the plant. The salesmen do not have a premium catalogue but he can see the premiums displayed at the company. He does have a price list in his custody. This price list contains the salesman's cost for the premiums. Sometimes the DEL cost and the salesman's cost are different.

Some MUNICHEM products and DEL products are interchangeable. The DEL records are kept in the accounting office of the Menomonee Falls plant but the MUNICHEM records are at the Reno, Nevada, plant.

R[redacted] knows ANNUNZIO FERRARO to be an assistant in the DEL lab. He is in charge of aerosol testing. To her knowledge he has never travelled with YOUSE.

JOSEPH BALISTRIERI is the DEL CHEMICAL attorney. He is on a retainer fee, but she does not know what he is paid. BAGEMIHL is responsible for paying him. FRANK BALISTRIERI is not on DEL payroll. R[redacted] knows of him but does not know him personally. (page 26) She knows ANDREW LOCOCO because there was a sales meeting at his hotel. (page 27) She does not know if FRANK BALISTRIERI or LOCOCO have any money invested in DEL. She does not know VINCENT GLEASON or TONY "PETROLLE" MACHI. She doesn't know if MACHI received any money from DEL.

MRS. R[redacted] was secretary to PAUL DES JARDINS for one or two years. During this time, she cashed DES JARDINS' pay checks on a regular basis. She purchased cashier's checks or money orders for DES JARDINS at the FARMERS & MERCHANTS BANK or MENOMONEE FALLS BANK. She does not recall to whom the cashier's checks or money orders were made payable. After she purchased them she returned them to DES JARDINS. She does not remember if she sent any to another person.

MRS. R[redacted] has known D[redacted] P[redacted] for several years. P[redacted] is the owner of a gift shop in Reno, Nevada. R[redacted] does not know

if P[redacted] has any relationship with DEL or ROCCO YOUSE. (page 34) She does not recall sending any of DES JARDINS' checks to P[redacted].

MRS. R[redacted] does not know if FRANK or JOSEPH BALISTRIERI ever received a loan from DEL or ROCCO YOUSE. She does not know if any people were placed on the payroll but actually performed no service for DEL.

YOUSE set MRS. R[redacted]'S salary. She has never had to kickback any part of her salary to YOUSE. She does not know of anyone at DEL who had to kickback money to YOUSE. She has never heard any conversations about kickbacks. (page 37) She overheard a conversation at an adverse hearing in a law office in which DES JARDINS mentioned kickbacks to YOUSE. (page 38)

MRS. R[redacted] said that salesmen could not order any premiums in excess of $20.00. She believes that any premiums in excess of that value, i.e., a television set, were used as contest prizes.

She does not have any information about any illegal activities at DEL or involving any DEL employees.

MRS. R[redacted] does not know if ROCCO YOUSE has any interest in PREMIUMS, INC. She knows the president of PREMIUMS, INC., is D[redacted] P[redacted].

PERSONAL INTERVIEW REPORT
DJ-DCI-3

('CONSIN DEPARTMENT OF JUSTICE
Division of Criminal Investigation – Operations
123 W. Washington Ave.
Madison, Wisconsin 53703

Date Apr. 4, 1973
Case No: OC-12

PARTY INTERVIEWED W[redacted] F[redacted], W/M, DOB [redacted]

ADDRESS [redacted], Milwaukee 53219 (telephone # [redacted]

INTERVIEWING AGENTS Special Agents Richard H. Anderson and Dale A. Laine

On Monday, March 26, 1973, W[redacted] F[redacted] was interviewed in the Madison offices of the D.C.I. regarding his previous employment as a salesman for the DEL CHEMICAL COMPANY. In addition to the agents, Milwaukee Journal newspaper reporter D[redacted] C[redacted] and Assistant Attorneys General PETER A. PESHEK and GRANT C. JOHNSON were present throughout this interview. F[redacted] was advised of his Constitutional Rights by ANDERSON. F[redacted] said that he understood those rights and agreed to talk to the agents. F[redacted] stated substantially as follows:

He first met ROCCO YOUSE in the late 50's when the two worked at the Milprint Company. At that time the two were friends and socialized. F[redacted] lost touch with YOUSE for a few years. F[redacted] subsequently lost his job and was searching for employment when he saw a newspaper employment advertisement for a chemical salesman for NATIONAL CHEMSEARCH. Because F[redacted] had heard that YOUSE was working for NATIONAL CHEMSEARCH, F[redacted] called YOUSE and was informed by his wife that YOUSE now owned his own chemical company, DEL CHEMICAL. Subsequently, F[redacted] contacted YOUSE, and YOUSE invited F[redacted] to go along with him to LaCrosse, Wisconsin, for a weekend to attend a sales meeting expense-free. YOUSE wanted F[redacted] to meet the salesmen, etc. F[redacted] drove to LaCrosse, Wisconsin, with ROCCO YOUSE and PAUL DesJARDINS. F[redacted] took the job as a chemical salesman. This occurred approximately in 1961 or 1962. At first F[redacted] was assigned to Racine, Kenosha, Waukesha, Walworth and Milwaukee Counties. Then F[redacted]'S territory was expanded to include counties in the Fox River Valley area of the state. DesJARDINS went with F[redacted] on his first trip to the Fox Valley area. DesJARDINS told F[redacted] during this trip that the mayor of Menasha, JOHN KLEIN, was a good friend of ROCCO YOUSE and that KLEIN was getting a 10% "kickback" from YOUSE. F[redacted] explained that YOUSE had previously told him that KLEIN was a good friend and that F[redacted] was to continue YOUSE'S policy. YOUSE told F[redacted] that KLEIN received 10% of his previous chemical order that he had placed with DEL. For approximately two years (1962 to 1964), approximately 6 or 7 times a year, YOUSE

RECEIVED
APR 19 1973

AGENTS SIGNATURES:

DATES:

DCI	CIIC

OC-12-57

would give an envelope to F[redacted] with instructions to give that envelope to Mayor KLEIN, which F[redacted] did. F[redacted] said that he never actually looked into the envelope to verify that money was contained within but F[redacted] said that you could tell from the size of the envelope and the "feel" of it that money was inside. F[redacted] never discussed the envelope and/or its contents with KLEIN. F[redacted] added that he would simply give the envelope to Mayor KLEIN. F[redacted] said that the Menasha account was the only municipal account that he knew of that was receiving money from YOUSE.

About one year later, YOUSE had decided to make DEL CHEMICAL a nationwide concern, and F[redacted] was promoted to the position of national sales trainer, a position that DesJARDINS formerly occupied. F[redacted]'S duties were to train new salesmen hired by DEL. F[redacted] would spend one week with new salesmen and because of this new job, F[redacted] lost contact with his accounts.

When F[redacted] first went to work for DEL, he wanted to sell to industrial accounts. YOUSE became vehement and told F[redacted] not to contact any industrial accounts. F[redacted] explained that DEL didn't sell industrial accounts because industry is spending their own money and DEL depended on their premiums to sell chemicals to municipal accounts. Salesmen were instructed concerning premiums, "if you don't have it with you, order it to engender business." Salesmen ordered and paid for their own premiums. Premiums were always carried in the salesman's automobile's trunk. Premiums had to be ordered from DEL; if a salesman did not order sufficient premiums, they were ordered for him. The salesman would be charged. In addition to the "normal" premiums, salesmen had order blanks in their possession for Van Huesen shirts. A customer would specify the size and style of shirt that he preferred and the salesman would send the order blank in to the company. The shirt would then be sent directly to the customer.

F[redacted] left DEL CHEMICAL because YOUSE was "bothering" F[redacted]'S wife. In addition, F[redacted] was having marital problems. F[redacted] had just come home after spending a week in Atlanta, Georgia, training salesmen. F[redacted]'S wife told F[redacted] that YOUSE had been at F[redacted]'S home in a drunken condition. F[redacted] immediately drove to YOUSE'S house on a Sunday, but YOUSE was gone. DesJARDINS calmed F[redacted] down and convinced F[redacted] to continue working. F[redacted] left that evening for a week to train a salesman in Bismarck, North Dakota. While F[redacted] was gone, DesJARDINS evidently told YOUSE that he (F[redacted]) was "ranting and raving" and was threatening to quit. The following Sunday after F[redacted] returned to Milwaukee, YOUSE called him at 5:00 a.m. telling F[redacted] to meet him at the Menomonee Falls chemical plant.

When F[redacted] arrived at the plant, DesJARDINS was with a girl. Both had been drinking. F[redacted] turned in all DEL CHEMICAL records that belonged to DEL. YOUSE then came in the office and began to throw papers "all over the office." YOUSE then left. After things calmed down, DesJARDINS told F[redacted] that he wanted to show F[redacted] something in the plant. F[redacted] went with DesJARDINS out to the plant area. As F[redacted] walked into the shop area, YOUSE was waiting for him. YOUSE hit F[redacted] and a fight ensued. F[redacted] said, "I had him for lunch, but he certainly had me for supper," referring to the bad beating he had received. F[redacted] then quit DEL CHEMICAL COMPANY. For a few weeks after he had quit, YOUSE called F[redacted] on the telephone asking him to come back to work. F[redacted] said that a girl who had been employed at DEL CHEMICAL COMPANY told him that YOUSE said that F[redacted] was going to be fitted for a culvert in Mequon. After F[redacted] quit DEL, he went to work for a time as a chemical salesman for PRECISION LABORATORIES.

F[redacted] added that YOUSE had a man working for him named NUNZIO FERRARO who walked around the plant all day and never did anything. F[redacted] said "YOUSE let it be known that if anyone got out of line, NUNZIO would take care of them." F[redacted] said that YOUSE thought of himself as a "godfather" and "really tried to act like one." YOUSE again let it be known that FRANK BALISTRIERI and the FAZIO family were his good friends. F[redacted] never saw BALISTRIERI at the DEL CHEMICAL plant, nor did he ever see YOUSE with BALISTRIERI. F[redacted] had no knowledge of any business involvements that YOUSE may have had with BALISTRIERI. F[redacted] knows TONY MACHI after having been introduced to him at the BARN. F[redacted] has never seen MACHI at the DEL CHEMICAL plant, nor did F[redacted] have any knowledge that MACHI may have been employed at DEL.

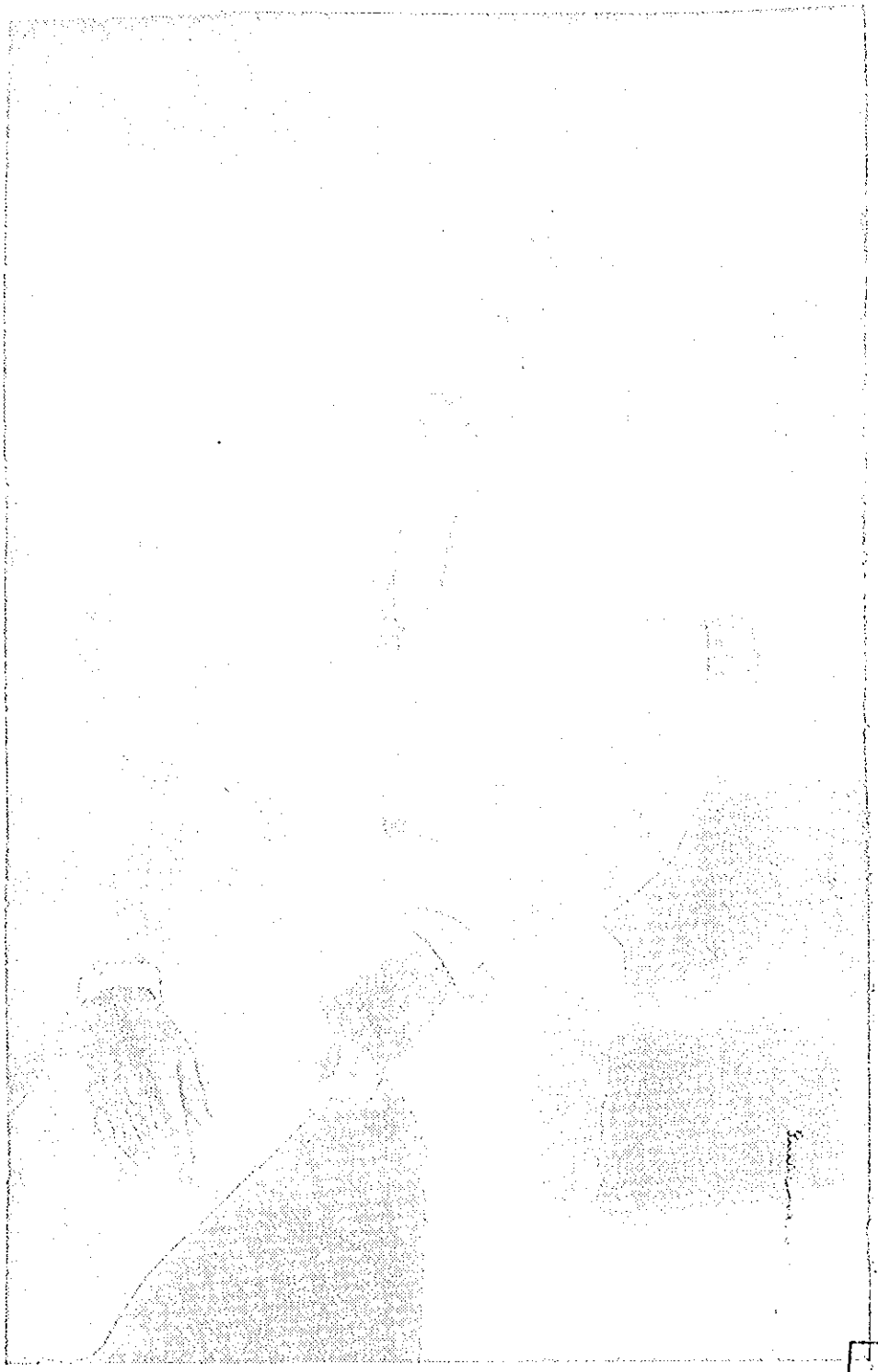
F[redacted] cited an incident when YOUSE fired a pistol at a DEL employee. A FNU D[redacted] (ph) was plant superintendent at DEL. YOUSE was having labor problems with the plant employees. YOUSE called D[redacted] into his office and took a pistol out of his drawer and fired a shot past D[redacted]'S head. F[redacted] said D[redacted] subsequently quit DEL, and F[redacted] has no further information about this 1963 incident.

F[redacted] also said that DEL CHEMICAL'S water bill should look like "the national debt." F[redacted] said that, for example, DEL would take a 55-gallon barrel of mosquito killer and dilute it to make as many barrels of mosquito killer "that the market would bear."

F[redacted] said that he would be glad to cooperate with the Wisconsin Department of Justice by being available for future interviews.

RHA:so

WISCONSIN DEPARTMENT OF JUSTICE
CRIMINAL DIVISION



This is Rocco Youse, president of the Del Chemical Corp.

RECEIVED

MAY 17 1973

DCI			CIIC

Comments:

Date: May 15, 1973
Publication: Milwaukee Journal

	O.C.	NARC.	GEN.	SPEC.
Coordination:	X			

Submitting Unit: Milw. Office

CIIC File #:	OC	12	90	

Del President Flaunts His Gun and His Money

By David B. Offer
and Stephen L. Casiner
of The Journal Staff

The president of the Del Chemical Corp. of Menomonee Falls likes to wave a gun around in public.

He gambles with $100 chips in Reno casinos and has been known to win or lose $25,000 in a night.

The Del president, Rocco Youse, is a close friend of Andrew Lococo, a former Milwaukeean who was convicted of perjury in 1970 for lying to a federal grand jury about telephone calls to Wisconsin gamblers.

Youse flies a private airplane valued at more than $150,000, drives Cadillacs, Lincolns and a 1970 Rolls-Royce and owns two homes, one valued at more than $100,000.

He founded Del and in 10 years has expanded his business into four corporations with annual sales of $17 million. From the start, Del offered cash and merchandise to municipal officials in an attempt to sell more chemicals.

Del is one of several firms involved in a statewide probe of chemical company sales tactics by a John Doe inquiry under way in Oshkosh since January.

Details of Youse's life were gathered by The Milwaukee Journal in Wisconsin, Nevada and California.

The newspaper twice requested interviews with Youse. Both requests were turned down by Joseph P. Balistrieri, his attorney, who also rejected a proposal that Journal reporters be allowed to tour Del's headquarters in Menomonee Falls and the headquarters of its sister corporations — MuniChem and Premiums Inc. — in Reno.

Balistrieri confirmed that Del has given premiums to municipal employes, as do other chemical sales firms, but vigorously denied that the premiums were bribes.

"Anyone who suggests that Del Chemical is engaged in the systematic breaking of a law or offering bribes to any public employes is deeply in error," Balistrieri said. "It has never been the company policy to bribe anyone, be it a public employe or the purchasing agent for a private corporation."

He also said: "There was no need for an investigation. If anybody had any quarrels with the Del premium policies, all they had to do was say 'stop it,' and it would have been stopped."

Robert Ernest Youse — a name later legally changed to Rocco Youse — was born on Feb. 3, 1925, in St. Louis and was raised on a farm in Sedalia, Mo., where he was graduated from high school.

Few details of his early life are known publicly.

After graduating from high school in Sedalia, he spent some time in military service and, for a short time, was a professional boxer. He then gravitated to the business world and was a salesman for several firms in the St. Louis area before entering the chemical industry as a salesman for National Chemsearch Corp. in the Midwest in 1958.

Formed Own Company

In October of 1962 he was hired by DI Corp. in Milwaukee as a chemical salesman and, four months later, split from that company and formed the Del Chemical Corp.

Del did an estimated $10 million in sales last year. MuniChem did an estimated $7 million.

During the early days of Del's growth, Youse bought a 40 acre estate in Germantown which is now valued at $124,609, according to tax assessment records at the Washington County Courthouse.

He had a $1,000 a month apartment in Phoenix which he used until 1969, when he moved into his new $140,000 home in Reno. He also owns a duplex valued at $40,000.

Estate Called "Roccorosa"

Youse's Germantown estate is named "Roccorosa," a play on words after the Ponderosa ranch of television fame. Youse hired a stonemason and a blacksmith to build the 600 foot long fence and wrought iron archway which set off the front 600 feet of the estate. Mequon blacksmith Lars Carlson designed and built the hand-tooled archway with the name "Roccorosa" centered on it.

The ironwork cost about $10,000. Youse was charged another $5,000 for the 21 seven foot stone pillars which support the fence.

The estate includes a swimming pool, bridle paths and a flower bed in the shape of a letter "Y."

Fountain of Martinis

"Roccorosa" was the scene of a lavish party in 1965 or 1966 which is still remembered and discussed by the 200 to 300 persons who attended and by many who were not there but have heard of it.

The features of the evening were live professional entertainment brought in from Chicago and fountains that spouted martinis.

Youse has spent less time in Wisconsin, however, since moving into his new home at Reno in 1969.

He has become well known in the Reno area, is a member of an exclusive local club and gambles in the casinos.

Uses $100 Chips

The Riverside Casino in Reno is "one of Youse's favorite hangouts," according to Wallace Wroting, former head of security at the casino.

Wroting said Youse likes to play blackjack with $100 chips and plays only head-to-head with the dealer. Often Mrs. Jessie Beck, the 70 year old owner of the casino, deals for Youse.

Wroting said Youse has unlimited credit at the casino and has won as much as $25,000 in a night. Other winning nights recalled by Wroting included totals of $16,000 and $12,000.

Gambles Alone

Wroting said Youse didn't like others to gamble at the same table with him. His high stakes games usually discourage other players but, Wroting said, one evening someone else sat down at the table. Youse "had money to burn" so he had the minimum bet raised from $100 to $500, which forced the other player out, Wroting said.

Both in Reno and in Wisconsin, Youse is known to carry a .38 caliber pistol, for which he has a permit.

"He was almost always armed," Wroting said. Casino rules prohibit carrying firearms, and after Youse was first noted carrying a gun, Wroting asked him to check it with casino guards when gambling.

Links Feat

Rocco Youse, president of Del Chemical Corp., teamed with Claude Coffel, a club member, in a perhaps unique golf feat at the old North Shore Country Club.

Coffel, teeing off first on the 183 yard, 14th hole, got a hole in one.

"If you can do it, so can I," said Youse, a left hander with a 20 handicap.

And he did.

It was the first known case of a right handed-left handed golf team ever scoring consecutive aces in the world.

The opponents of the day were Lawrence Gardner and Paul Des Jardins. At the time Des Jardins was a Del employe. He has since become president of Share Corp., of Brookfield.

Waved Gun in Air

Youse "likes to show off, to make a big thing of the gun," Wroting said. "He'd flash it . . . or he'd sit at the table and wave it in the air so we'd come over and get it."

Wroting said Youse was once ejected from the casino because of his conduct and language.

"He was winning and had been drinking," Wroting said. "Then he got pretty insulting and we asked him to leave. He told us what we could do with ourselves so we threw him out."

Wroting had been a deputy sheriff in Reno and a policeman in Los Angeles before going to work at the casino. He now is a businessman in Elko, Nev.

Former Del sales executive Paul Des Jardins, now president of the Share Corp. in Brookfield, also told about Youse's guns.

In testimony in a lawsuit filed by Del after Des Jardins quit to form a competing chemical sales firm, Des Jardins was asked to discuss why he left Del.

He cited several reasons, among them "Rocco Youse,

Frank Balistrieri

for example, carrying guns around the company and every place he went."

Another former Del employe told The Journal: "Youse carried a gun in his pocket, not occasionally but all the time. When he'd come in in the morning he'd throw the stuff on the desk — the clip, the whole bit."

Another incident involving Youse was described by Elko policeman Clyde (Rusty) Walters, who worked for Del and MuniChem in 1968.

While employed by Youse, Walters said, he was called on to help the Del president move into his new house.

"I picked up a box," Walters said. "It was quite heavy and I dropped it. Out came several .45 automatics, shoulder holsters and so on."

Soon after that, Walters quit working for Youse.

He took the information about Youse's pistols to the intelligence section of the Reno district attorney's office.

Slot Machines Shipped

He also told the district attorney's office that he had shipped three slot machines from Del's Reno warehouse to the firm's Menomonee Falls plant.

The machines were placed in 55 gallon drums normally used for chemicals and placed on the chemical shipment truck, Walters said.

The slot machines were not the only personal items shipped by truck to Milwaukee for Youse. On occasion, Walters said, Youse's personal Rolls-Royce was trucked to Milwaukee for him to use while visiting.

In addition to Youse's trips to Wisconsin, several Wisconsin residents went to Reno to be with the Del president.

One man who visited Youse was Milwaukee night club owner Frank Balistrieri.

Gambler Visits Youse

Frank Balistrieri attended a MuniChem office party at Vario's Restaurant in Reno in August of 1971 and on another occasion was seen by Walters in Youse's office in Reno. He also visited the Reno warehouse where Del and MuniChem stored premiums that were sold to salesmen. Some salesmen in turn used the premiums to induce municipal buyers to purchase chemicals.

Youse has also been visited by Milwaukee gambler Tony Machi.

Machi was a witness at the Oshkosh John Doe on Feb. 28.

Another frequent Youse associate is Annunzio Ferraro, whose title is assistant to the president of Del.

Ferraro was once a professional boxer and later worked as a bouncer at The Scene, a Milwaukee restaurant owned by Peter Balistrieri, who is Frank Balistrieri's brother. Ferraro has testified at the John Doe twice.

The Del-MuniChem president also is a close friend of Lococo and held corporate sales meetings at the Cockatoo, a restaurant and luxury motel in Hawthorne, Calif., formerly owned by Lococo.

Youse usually took a two-room suite at the Cockatoo.

Court records in California include a presentence report compiled from FBI files by an assistant US attorney which stated that the relationship between Lococo and Frank Balistrieri was "an extremely close one involving numerous financial ties."

After Lococo's conviction for perjury, the California Horse Racing Board barred him from all racetracks in the state. That order also prohibits Lococo from parimutuel betting on horse races.

The board also has a file on Youse because the Del president owns at least two race horses. One is named Mr. Cockatoo after Lococo's restaurant. Another is called Rocco's Lady.

According to Len Foote, chief investigator for the Horse Racing Board, "everytime Youse would come out here, Andy's (Lococo) limousine would pick him up. He'd stay at the Cockatoo. There's no question they were very close."

Lococo particularly liked to be at the track when Mr. Cockatoo was racing. This became difficult after the racing board order.

On April 8, 1972, Lococo rented a helicopter and hovered over the starting gate at Santa Anita to watch the horse race. It placed third.

Since moving to Reno, Youse has received considerable newspaper publicity, much of it detailing the growth of Del and the building of new facilities for MuniChem.

Donates Trophies

Those articles refer to him as a substantial businessman.

He has also received favorable newspaper publicity for donating trophies and scholarships to local high school athletes.

He sponsored the first annual Italian-American golf tournament in Reno and invited several Milwaukee friends to attend. In the first tournament, held June 28, 1971, Tom Machi of Milwaukee had a net 63 and was pictured in the Reno newspapers with Youse.

Joins Exclusive Club

Reno newspaper files also show that when ground was broken for the MuniChem plant on July 23, 1972, one of those turning the first shovelsful of dirt was US Sen. Howard Cannon (D-Nev.)

Soon after he moved to Nevada, Youse joined the exclusive Prospectors Club. That wasn't the first private club to which he belonged.

In 1966, Youse lost his membership in the North Hills Country Club in Menomonee Falls after conduct which one former officer called "loud, boisterous and obnoxious." He was summoned before the board of directors to explain his conduct but did not appear. The board then rescinded his membership.

Youse then joined the North Shore Country Club in Mequon.

There, after a fist fight and

an arrest, his membership was suspended; later it was reinstated.

A past president of North Shore said that on June 7, 1967, shortly before 1 a.m., "I came upstairs and mentioned to the bartender that it was time to close the bar."

Youse was at the bar at the time and another member came in.

The bartender tried to close the bar but Youse argued.

The other member entered the dispute on the side of the bartender.

A fist fight broke out between Youse and the other member.

Youse Arrested

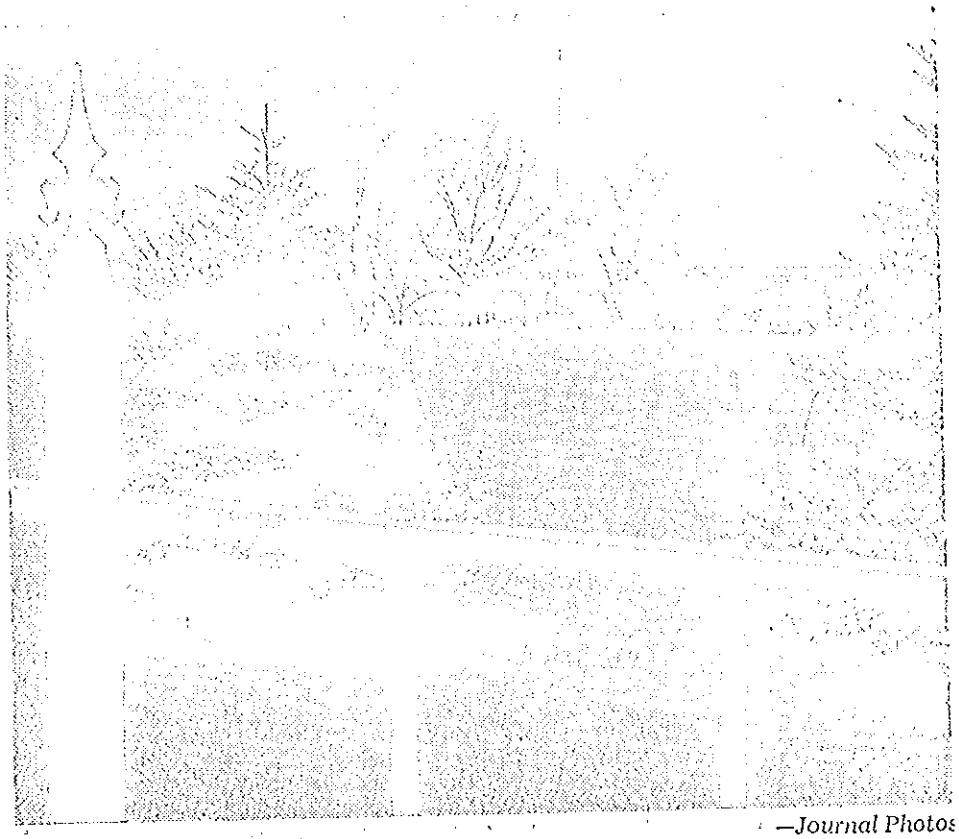
Mequon police were called and arrested Youse on charges of disorderly conduct. Police records in Mequon describe Youse's conduct as "loud and abusive."

He was fined $75 in Ozaukee County Court.

The North Shore fist fight was not the only one mentioned to Journal reporters in their investigation.

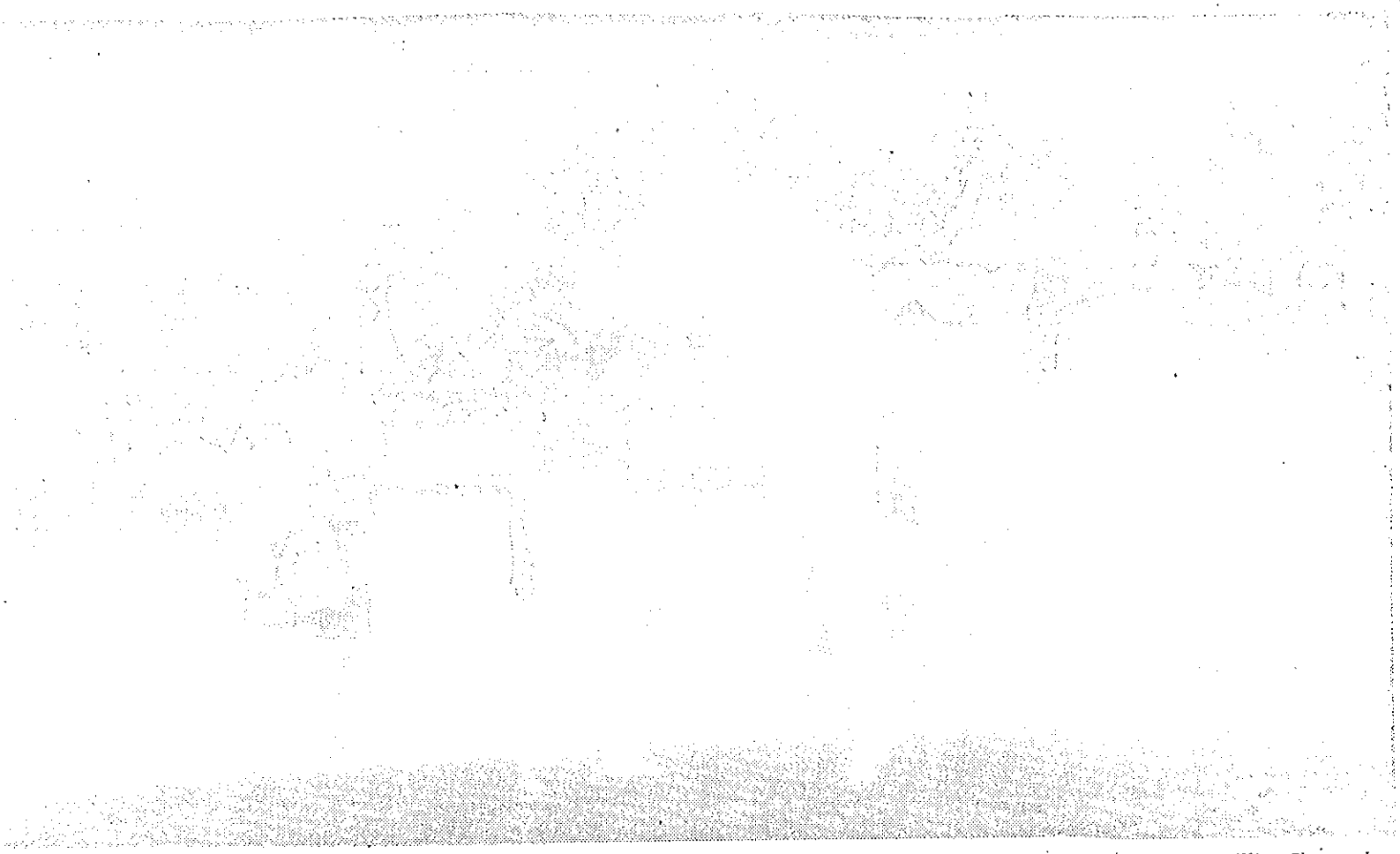
A former employe of Del said he fought with Youse at the Menomonee Falls plant and ended up "with the concrete floor looking me in the face."

Last of a series.

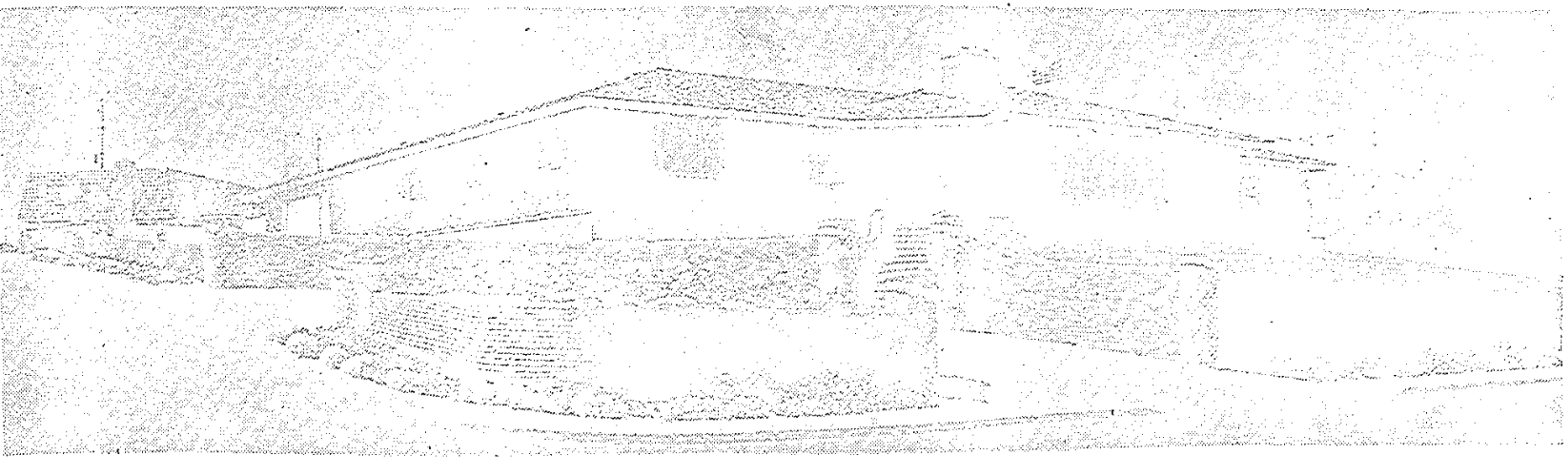


—*Journal Photos*

A wrought iron fence (above) and a custom designed archway (below) identify "Roccorosa," the $124,609 estate (left) of Rocco Youse at N96-W15220 County Line Rd., Germantown.



Above: Willis Shoemaker was up when Youse's horse, Mr. Cockatoo, won the ninth race at Santa Anita on March 15, 1972. Standing at left was Andrew Lococo, a former Milwaukeean and a former owner of the Cockatoo luxury motel in Hawthorn, Calif.



—Photo by Reno Photo Service

Left: Youse's Reno home is valued at $140,000.

PERSONAL INTERVIEW REPORT
DJ-DCI-3

(:SCONSIN DEPARTMENT OF JUSTIC(
Division of Criminal Investigation – Operations
123 W. Washington Ave.
Madison, Wisconsin 53703

Date January 24, 1974
Case No: OC-12

PARTY INTERVIEWED VINCENT PAUL GLEASON, W/M, DOB: [redacted]

ADDRESS [redacted] Menomonee Falls, Wisconsin

INTERVIEWING AGENTS Special Agents Alfred F. Suhr and Richard H. Anderson

On January 24, 1974, GLEASON, a partner in the firm of AMERICAN ASPHALT PAVING, INC., N56 W12828 Silver Spring Road, Menomonee Falls, Wisconsin, was interviewed at his place of business concerning his possible former employment with the DEL CHEMICAL CORPORATION and his knowledge of its president, ROCCO YOUSE, and GLEASON stated substanatially as follows:

GLEASON and his family moved from New Jersey to Milwaukee in approximately August 1957. GLEASON remained in Milwaukee proper until sometime in 1958 when he purchased a home in Menomonee Falls, which is located near ROCCO YOUSE'S home. At the time that GLEASON first met YOUSE, YOUSE was a chemical salesman working for NATIONAL CHEMSEARCH. They got acquainted as neighbors originally, and later GLEASON and YOUSE went out socially. GLEASON claimed that YOUSE was quite a drinker and would frequently call GLEASON to accompany him.

YOUSE moved out of the Menomonee Falls subdivision in approximately 1966 and moved to his home called Roccorosa. YOUSE offered and GLEASON accepted to buy YOUSE'S home at [redacted] by land contract. After having had the land contract on the house for a little over four years, GLEASON was anxious to purchase the home out right from YOUSE. GLEASON or GLEASON'S wife made an overture to ROCCO YOUSE'S wife, J[redacted], saying that GLEASON perferred to have the home in his own name. GLEASON did purchase the home in January 1971 after having secured a loan from the FARMERS AND MERCHANTS BANK, Menomonee Falls. GLEASON recollected that he last saw YOUSE approximately six months prior to GLEASON'S buying the house, and since purchasing YOUSE'S home, GLEASON has had the feeling that YOUSE has been very cool toward him.

When asked what business association GLEASON had with YOUSE, GLEASON replied that to the best of his recollection in approximately 1962 when the asphlat business was slow, YOUSE offered GLEASON a job selling chemicals for DEL CHEMICAL CORPORATION. GLEASON guessed that he worked for about 8 to 10 weeks selling chemicals, but GLEASON soon learned that he was not fit for a salesman's job. Additionally, GLEASON'S firm sells a material to DEL CHEMICAL

AGENTS SIGNATURES:

DATES:

DCI

OC-12-134

CORPORATION called Stay Patch and this began approximately 6 to 7 years ago. AMERICAN ASPHALT PAVING still does business with DEL CHEMICAL upon an order basis. If DEL CHEMICAL calls for 50 pails of Stay Patch, the order is made up and delivered to DEL CHEMICAL CORPORATION. This is strictly a corporation to corporation arrangement and no checks for payment of AMERICAN ASPHALT products are made out to GLEASON personally but strictly to the company. GLEASON denied to the best of his recollection ever being on the DEL CHEMICAL CORPORATION payroll for the years 1968 and 1969 and giving the money back to ROCCO YOUSE. GLEASON'S daughter, K[redacted], worked at DEL CHEMICAL CORPORATION for two or three summers when she was in her late teens.

GLEASON knows some of the current and former officers of DEL CHEMICAL. He met PAUL DES JARDINS and he knew of D[redacted] P[redacted], who was the comptroller, of the corporation but he had no contact with P[redacted]. He knows R[redacted] B[redacted] who is currently on the Menomonee Falls Chamber of Commerce, of which GLEASON was once president and is currently a member. GLEASON is not that friendly with B[redacted] and elaborated by saying that B[redacted] would not even tell GLEASON when YOUSE was in town.

When querried as to whether ROCCO YOUSE had any ties with any organized crime figures, GLEASON recalled that approximately four or five years ago he went out socially one evening with YOUSE to the CLUB RIVERSITE, Mequon, Wisconsin. GLEASON and YOUSE had dinner with among others FRANK BALISTRIERI, LOUIS FAZIO, and a STEVE (LNU). When asked if the STEVE he met could possibly have been STEVE DiSALVO, GLEASON answered that he did not know and probably would not recognize this STEVE if he walked in the office this date. Special Agent SUHR left his calling card with GLEASON and requested that should anything come to GLEASON'S attention regarding ROCCO YOUSE and/or DEL CHEMICAL CORPORATION, he should get in contact with Special Agent SUHR.

Subsequent to the above personal interview on January 24, 1974, GLEASON telephonically contacted Special Agent SUHR at the Milwaukee D.C.I. Office. GLEASON had gone home and had checked his income tax records and determined from them that he had worked in actuality for DEL CHEMICAL CORPORATION from the fall of 1968 to about March of 1969. GLEASON said he was on a salary basis only, and received approximately $1,500 in 1968 and about $2,400. GLEASON reiterated that he still thought that he had worked earlier than 1968 or 1969 for DEL CHEMICAL, but obviously the records he perused proved him wrong.

AFS:sk

CASE ACTIVITY REPORT
DJ-DCI-2 (Rev. 4/74)

Wisconsin Department of Justice
DIVISION OF CRIMINAL INVESTIGATION

1. Case Number	2. Date	3. Case Title
OC-12	5-14-75	DEL CHEMICAL CORPORATION

4. Activity	5. Date of Activity
Interview	May 13, 1975

6.

At approximately 3:00 p.m., May 13, 1975, MRS. J[redacted] Y[redacted], ROCCO YOUSE'S ex-wife, telephonically contacted Special Agent ALFRED F. SUHR in the Milwaukee D.C.I. Office and related substantially the following information:

JEAN YOUSE heard that on May 9 and May 10, 1975, there was a meeting held at the RAMADA INN of all the top personnel of DEL CHEMICAL CORPORATION, and this meeting was called by D[redacted] R[redacted]. However, the meeting was not regarding DEL CHEMICAL CORPORATION business, but was held because D[redacted] R[redacted] intended to quit DEL CHEMICAL COMPANY and form her own chemical company, and her purpose for drawing these people together was to convince them to come to work for her. MRS. YOUSE also heard that D[redacted] R[redacted] had fired N[redacted] H[redacted], the sales manager. On May 10, 1975, during the day, MRS. YOUSE heard that D[redacted] R[redacted] had left her office on Friday, May 9, 1975, in a very sad state of array. R[redacted] reportedly had strewn paper all over the office and she and other unidentified employees had a drinking party and there were empty bottles also all over the office.

Since MRS. YOUSE is in the process of going through litigation with ROCCO YOUSE concerning her previous divorce settlement and the fact that she has a vested interest in DEL CHEMICAL CORPORATION, MRS. YOUSE was prompted to call ROCCO YOUSE in Nevada on May 10, 1975. ROCCO informed MRS. YOUSE that he had already heard that R[redacted] was intending to leave DEL CHEMICAL. ROCCO YOUSE also spoke to one MRS. YOUSE'S sons and told the son to hire personnel from the BURNS DETECTIVE AGENCY to watch the plant over the weekend since ROCCO had heard that D[redacted] R[redacted] and others intended to return to the plant and abscond with chemical formulas and other items of equipment. The son was unable to contract with the BURNS DETECTIVE AGENCY personnel since they were booked up, and ROCCO instructed the boy to contact some of his friends and watch the plant over the weekend, which they did. MRS. YOUSE said that her son informed her that on Saturday night while he was at the plant with his friends, D[redacted] R[redacted] arrived at the plant with her boyfriend, also an employee of DEL CHEMICAL CORPORATION, and another person but were refused entrance to the plant by MRS. YOUSE'S son. The son also explained that D[redacted] R[redacted] was quite drunk that

7. Agent: Alfred F. Suhr
Alfred F. Suhr, Special Agent

RECEIVED MAY 23 1975

This document contains neither recommendations nor conclusions of the Division of Criminal Investigation, Wisconsin Department of Justice. It is the property of this Division and is loaned to your agency. Its contents are not to be distributed outside your agency.

OC-12-150

night.

During the late evening hours of May 10, 1975, MRS. YOUSE went to the CENTRE STAGE DINNER PLAYHOUSE because she wanted to talk to FRANK BALISTRIERI. She had previously met BALISTRIERI through ROCCO YOUSE. MRS. YOUSE had also heard that either Attorney JOSEPH BALISTRIERI and/or FRANK BALISTRIERI were putting up the money behind D[redacted] R[redacted], and MRS. YOUSE wanted this clarified. When she entered the CENTRE STAGE upstairs, she was greeted from the bar area by TONY PIPITO who was there with his girlfriend and was slightly intoxicated. MRS. YOUSE had met PIPITO on previous occasions, at least four or five times, and she knew that he had already served five years in prison. MRS. YOUSE asked PIPITO how he liked being the set decorator at the CENTRE STAGE. PIPITO responded that he was no longer working at the CENTRE STAGE but that he was now in the auto parts or auto repair business with a location at North Green Bay Avenue and West Capitol Drive. PIPITO also mentioned that recently he had been at DEL CHEMICAL CORPORATION. The remark about PIPITO'S business and it's location did not mean too much to MRS. YOUSE at this point.

While at the CENTRE STAGE, MRS. YOUSE also had contact with NUNZIO FERRARO. FERRARO seemed embarrassed to talk to MRS. YOUSE, and she could not quite get out of him if he were going with D[redacted] R[redacted] or was staying with DEL CHEMICAL CORPORATION. She informed him that she had been offered 50% of the stock of DEL CHEMICAL CORPORATION from ROCCO, and that NUNZIO would be much better off to work for her (MRS. YOUSE).

On Sunday, May 11, 1975, MRS. YOUSE received a telephone call from some friends whom she refused to identify who told her that they had been at a location Saturday evening, May 10, 1975, where D[redacted] R[redacted] and others were. D[redacted] R[redacted] was obviously intoxicated and was bragging openly about leaving DEL CHEMICAL CORPORATION. D[redacted] R[redacted] allegedly made the statement that she was going to steal chemical formulas from DEL CHEMICAL CORPORATION and other materials and that this material was going to be stored at North Green Bay Avenue and West Capitol Drive. When MRS. YOUSE heard this, she immediately thought of TONY PIPITO'S business being located at that same location; however, MRS. YOUSE never was able to put PIPITO and R[redacted] together at any time. D[redacted] R[redacted] also had indicated during her drunken bragging that they already had a place for the location of the new business, but MRS. YOUSE did not know what that location was.

MRS. YOUSE also assumed that R[redacted] B[redacted] was also going to join R[redacted] in this new venture.

When Special Agent SUHR asked MRS. YOUSE if F[redacted] D[redacted]'S name had been mentioned during any of this period of time, MRS. YOUSE responded in the negative.

MRS. YOUSE also heard from a source that was not mentioned that FRANK BALISTRIERI was dating or going with TONY PIPITO'S sister, identity unknown. MRS. YOUSE claimed that in all her contacts with FRANK BALISTRIERI, he always acted like a gentleman and what he did in his private life was none of her business. MRS. YOUSE said that FRANK BALISTRIERI admitted that he loved his wife but also cheated on her quite frequently.

Special Agent SUHR querried MRS. YOUSE as to when D[redacted] R[redacted] was actually leaving the corporation. MRS. YOUSE said as far as she was concerned, Friday, May 9, 1975, was R[redacted]'S last day there. MRS. YOUSE added that as a result of all this confusion at DEL CHEMICAL CORPORATION, ROCCO YOUSE flew in over the weekend to attempt to straighten the affairs of the business out. In fact, on Monday, May 12, 1975, ROCCO YOUSE had a meeting with all the employees who remained there, and MRS. YOUSE who overheard this speech said that ROCCO was all "milk and honey." MRS. YOUSE said that ROCCO'S personality has changed since she had last seen him two years ago and that now he was quite humble. Early in their married life, ROCCO YOUSE used to attend church but then he became an atheist. When he concluded his speech to the employees at the plant on Monday, ROCCO YOUSE, SAID "God bless you all!"

AFS:kmj